

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31st March, 2006

| | Share capital HK\$ | Share premium HK\$ | Capital reserve HK\$ | Capital redemption reserve HK\$ | Investment property revaluation reserve HK\$ | Investment revaluation reserve HK\$ | Exchange reserve HK\$ | Special reserve HK\$ | Accumulated losses HK\$ | Total HK\$ |
|--|--------------------------|--------------------------|----------------------------|--|--|--|-----------------------------|----------------------------|-------------------------------|---------------|
| At 1st April, 2004 | | | | | | | | | | |
| As originally stated | 488,842,675 | 92,805,386 | 21,223,231 | 28,990,000 | 5,372,809 | – | (1,597,299) | (37,225,662) | (119,972,853) | 478,438,287 |
| Effect of changes in accounting policies | – | – | – | – | – | – | – | – | (9,584,818) | (9,584,818) |
| As restated | 488,842,675 | 92,805,386 | 21,223,231 | 28,990,000 | 5,372,809 | – | (1,597,299) | (37,225,662) | (129,557,671) | 468,853,469 |
| Share of movements in post-acquisition reserves of associates recognised directly in equity | – | – | – | – | (5,372,809) | – | (1,157,507) | – | – | (6,530,316) |
| Profit for the year | – | – | – | – | – | – | – | – | 3,490,301 | 3,490,301 |
| At 31st March, 2005 | 488,842,675 | 92,805,386 | 21,223,231 | 28,990,000 | – | – | (2,754,806) | (37,225,662) | (126,067,370) | 465,813,454 |
| Exchange differences arising on translation of foreign operations | – | – | – | – | – | – | (357,982) | – | – | (357,982) |
| Share of movements in post-acquisition reserves of an associate | – | – | – | – | – | – | 1,914,825 | – | – | 1,914,825 |
| Change in fair value of available-for-sale investments | – | – | – | – | – | 651,750 | – | – | – | 651,750 |
| Net income recognised directly in equity | – | – | – | – | – | 651,750 | 1,556,843 | – | – | 2,208,593 |
| Write off of special reserve (note 11) | – | – | – | – | – | – | – | 37,225,662 | – | 37,225,662 |
| Loss for the year | – | – | – | – | – | – | – | – | (70,510,642) | (70,510,642) |
| At 31st March, 2006 | 488,842,675 | 92,805,386 | 21,223,231 | 28,990,000 | – | 651,750 | (1,197,963) | – | (196,578,012) | 434,737,067 |

The capital reserve represents the portion of profit on disposal in 1982 of the Group's assets to an associate, which is deferred to the extent of the Group's attributable interests therein. The amounts deferred will be recognised as the Group's profit only when the Group's equity interest in the associate is decreased or the assets are sold to third parties.