

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2004

	Share capital HK\$'000	Share premium HK\$'000	Asset revaluation reserve HK\$'000	Goodwill reserve HK\$'000	Statutory reserve HK\$'000	Exchange reserve HK\$'000	Contributed surplus HK\$'000	(Accumulated losses) retained profits HK\$'000	Total HK\$'000
THE GROUP									
At 1 April 2002									
– as previously stated	189,584	1,001,470	13,656	(70,370)	4,474	(16,217)	–	(364,585)	758,012
– prior year adjustment (Note 2)	–	–	(349)	–	–	–	–	(651)	(1,000)
– as restated	189,584	1,001,470	13,307	(70,370)	4,474	(16,217)	–	(365,236)	757,012
Surplus on revaluation of leasehold land and buildings	–	–	541	–	–	–	–	–	541
Reversal of deferred tax liability arising on revaluation of properties	–	–	207	–	–	–	–	–	207
Exchange difference on translation of financial statements of overseas operations	–	–	–	–	–	76	–	–	76
Net gains not recognised in the income statement	–	–	748	–	–	76	–	–	824
Capital reorganisation	(187,688)	(1,001,470)	–	–	–	–	587,482	601,676	–
Expenses incurred in relation to the capital reorganisation	–	–	–	–	–	–	(470)	–	(470)
Realised on partial disposal of interest in an associate	–	–	–	7,072	–	–	–	–	7,072
Minority share of post-acquisition reserve	–	–	135	–	–	–	–	–	135
Profit for the year	–	–	–	–	–	–	–	8,265	8,265
At 31 March 2003	1,896	–	14,190	(63,298)	4,474	(16,141)	587,012	244,705	772,838
Surplus on revaluation of leasehold land and buildings	–	–	7,708	–	–	–	–	–	7,708
Increase in opening deferred tax liability resulting from change in tax rate	–	–	(13)	–	–	–	–	–	(13)
Deferred tax liability arising on revaluation of properties	–	–	(1,557)	–	–	–	–	–	(1,557)
Exchange difference on translation of financial statements of overseas operations	–	–	–	–	–	443	–	–	443
Net gains not recognised in the income statement	–	–	6,138	–	–	443	–	–	6,581
Placement of new shares	834	43,136	–	–	–	–	–	–	43,970
Expenses incurred in relation to the placement of new shares	–	(965)	–	–	–	–	–	–	(965)
Realised on impairment of goodwill	–	–	–	63,653	–	–	–	–	63,653
Minority share of post-acquisition reserve	–	–	2,486	–	–	–	–	–	2,486
Loss for the year	–	–	–	–	–	–	–	(85,185)	(85,185)
At 31 March 2004	2,730	42,171	22,814	355	4,474	(15,698)	587,012	159,520	803,378

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2004

The retained profits of the Group include losses of HK\$13,720,000 (2003: HK\$7,994,000) attributable to the associates of the Group and losses of nil (2003: HK\$18,991,000) attributable to its jointly controlled entities.

The goodwill reserve includes negative goodwill of HK\$468,000 arising from the acquisition of subsidiaries. There was no movement in negative goodwill for both years ended 31 March 2004 and 2003.

The statutory reserve of the Group represents reserve required by the relevant PRC laws applicable to the Company's PRC subsidiaries.

The contributed surplus represented the net balance of after setting off accumulated losses of the Company as at 1 April 2002 from reduced share capital and cancelled share premium of the Company in accordance with the Company's capital reorganisation in 2002.