

Consolidated Statement of Changes in Equity

For the year ended 31 March 2004

	Share capital <i>HK\$'000</i>	Share premium <i>HK\$'000</i>	Special reserve <i>HK\$'000</i>	Exchange reserve <i>HK\$'000</i>	Accumulated (losses) profits <i>HK\$'000</i>	Total <i>HK\$'000</i>
Balance at 1 April 2002	439,492	96,999	571,996	1,613	(536,816)	573,284
Conversion of convertible loan note	20,000	–	–	–	–	20,000
Premium arising from the conversion of convertible loan note	–	180,000	–	–	–	180,000
Expenses incurred in connection with the conversion of convertible loan note	–	(30)	–	–	–	(30)
Exchange differences on translation of overseas operations not recognised in the income statement	–	–	–	392	–	392
Release of exchange reserve on disposal of a subsidiary and an associate	–	–	–	(933)	–	(933)
Profit for the year	–	–	–	–	15,008	15,008
Balance at 31 March 2003	459,492	276,969	571,996	1,072	(521,808)	787,721
Exchange differences on translation of overseas operations not recognised in the income statement	–	–	–	1	–	1
Loss for the year	–	–	–	–	(26,300)	(26,300)
Balance at 31 March 2004	459,492	276,969	571,996	1,073	(548,108)	761,422

Note: The special reserve of the Group represents mainly the difference between the nominal value of shares of Burlingame International Company Limited (“Burlingame”) and the nominal value of shares issued for the swap of the shares of Burlingame pursuant to the scheme of arrangement as set out in the document issued by the Company and Burlingame dated 27 July 2000.