

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For the year ended 31st March, 2004

| | Share capital | Share premium | Special reserve | Goodwill reserve | Negative goodwill reserve | Translation reserve | Reserve fund | Enterprise expansion reserve | Retained profits | Total |
|-------------------------|------------------|------------------|--------------------|---------------------|---------------------------------|------------------------|-----------------|------------------------------------|---------------------|-------------|
| | HK\$ | HK\$ | HK\$ | HK\$ | HK\$ | HK\$ | HK\$ | HK\$ | HK\$ | HK\$ |
| At 1st April, 2002 | 42,400,010 | 66,672,487 | 14,900,773 | (10,638,038) | 2,079,850 | (1,150,305) | 1,083,258 | 1,083,258 | 36,934,512 | 153,365,805 |
| Net profit for the year | - | - | - | - | - | - | - | - | 10,865,338 | 10,865,338 |
| Dividend paid | - | - | - | - | - | - | - | - | (4,240,001) | (4,240,001) |
| At 31st March, 2003 | 42,400,010 | 66,672,487 | 14,900,773 | (10,638,038) | 2,079,850 | (1,150,305) | 1,083,258 | 1,083,258 | 43,559,849 | 159,991,142 |
| Net profit for the year | - | - | - | - | - | - | - | - | 18,904,088 | 18,904,088 |
| At 31st March, 2004 | 42,400,010 | 66,672,487 | 14,900,773 | (10,638,038) | 2,079,850 | (1,150,305) | 1,083,258 | 1,083,258 | 62,463,937 | 178,895,230 |

The special reserve represents the difference between the nominal amount of the share capital issued by the Company in exchange for the aggregate nominal value of the share capital of the subsidiaries acquired pursuant to the group reorganisation on 5th September, 1997.

Reserve fund and enterprise expansion reserve are reserves required by the relevant laws in the People's Republic of China ("PRC") applicable to the Group's subsidiary in the PRC.