

Consolidated Statement of Changes in Equity

For the year ended 30th June, 2004

	Share capital HK\$'000	Share premium HK\$'000	Goodwill HK\$'000	Special reserve HK\$'000	Distributable reserve HK\$'000	Exchange reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
							(As restated)	
At 1st July, 2002	79,043	351,526	(10,299)	847	39,387	17	(214,058)	246,463
Exchange difference arising from translation of operations outside Hong Kong not recognised in the consolidated income statement	-	-	-	-	-	(28)	-	(28)
Issue of shares	428	6,469	-	-	-	-	-	6,897
Share issue expenses	-	(202)	-	-	-	-	-	(202)
Impairment loss recognised	-	-	10,299	-	-	-	-	10,299
Credit arising on reduction of share capital	(78,055)	-	-	-	-	-	78,055	-
	1,416	357,793	-	847	39,387	(11)	(136,003)	263,429
Loss for the year								
- as previously stated	-	-	-	-	-	-	(164,884)	(164,884)
- prior year adjustment on correction of errors on unrealised holding gain on other investments (Note 2)	-	-	-	-	-	-	20,020	20,020
- prior year adjustment on correction of errors on reversal of bad debts written off and amortisation of goodwill (Note 2)	-	-	-	-	-	-	26,424	26,424
- as restated	-	-	-	-	-	-	(118,440)	(118,440)
At 30th June, 2003	1,416	357,793	-	847	39,387	(11)	(254,443)	144,989
Exchange difference arising from translation of operations outside Hong Kong not recognised in the consolidated income statement	-	-	-	-	-	6	-	6
Issue of shares	2,832	31,152	-	-	-	-	-	33,984
Share issue expenses	-	(857)	-	-	-	-	-	(857)
Loss for the year	-	-	-	-	-	-	(109,309)	(109,309)
At 30th June, 2004	4,248	388,088	-	847	39,387	(5)	(363,752)	68,813

The special reserve of the Group represents the differences between the nominal value of the aggregate share capital of the subsidiaries acquired pursuant to a group reorganisation in December 1997, over the nominal value of the Company's shares issued in exchange.

The distributable reserve of the Group represents the aggregate of the credit arising from the reduction of nominal value of the Company's share capital in March 1999 and March 2001 less the amount utilised for a bonus issue of shares in September 2000.