

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31st July, 2004

	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000	Capital reduction reserve HK\$'000	Capital redemption reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
THE GROUP							
At 31st July, 2002	192,960	250,952	157	—	268	(344,314)	100,023
Capital reduction (note 26a)	(188,136)	(250,952)	—	170,583	—	268,505	—
Issue of shares on private placements (note 26b)	2,114	8,174	—	—	—	—	10,288
Issue of shares on rights issue (note 26c)	13,876	—	—	—	—	—	13,876
Expenses incurred in connection with issue of shares	—	(350)	—	—	—	—	(350)
Net loss for the year	—	—	—	—	—	(43,954)	(43,954)
At 31st July, 2003	20,814	7,824	157	170,583	268	(119,763)	79,883
Conversion of convertible notes (note 26d)	2,500	2,500	—	—	—	—	5,000
Issue of shares on private placements (note 26e)	9,380	9,380	—	—	—	—	18,760
Expenses incurred in connection with issue of shares	—	(446)	—	—	—	—	(446)
Net loss for the year	—	—	—	—	—	(2,861)	(2,861)
Balance at 31st July, 2004	<u>32,694</u>	<u>19,258</u>	<u>157</u>	<u>170,583</u>	<u>268</u>	<u>(122,624)</u>	<u>100,336</u>