

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2005

	Share capital	Share premium	Capital reserve	Contributed surplus	Exchange reserve	Accumulated losses	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2003	110,187	255,030	—	—	(14)	(353,484)	11,719
Rights issue of shares	35,260	52,890	—	—	—	—	88,150
Issue of new shares by private placements	7,272	8,454	—	—	—	—	15,726
Reduction of share capital and share premium upon capital reorganisations	(117,018)	(255,030)	17,850	354,198	—	—	—
Elimination of accumulated losses	—	—	—	(353,484)	—	353,484	—
Realised on disposal of subsidiaries	—	—	—	—	(2)	—	(2)
Net loss for the period	—	—	—	—	—	(57,737)	(57,737)
At 31 March 2004	35,701	61,344	17,850	714	(16)	(57,737)	57,856
Realised on disposal of subsidiaries	—	—	—	—	16	—	16
Exchange differences on translation of overseas operations and net gain not recognised in the consolidated income statement	—	—	—	—	45	—	45
Net profit for the year	—	—	—	—	—	6,104	6,104
At 31 March 2005	35,701	61,344	17,850	714	45	(51,633)	64,021

The capital reserve of the Group represents the credit arising from the reduction of share capital of the Company in March 2004 and can be applied in the future for distribution to the shareholders.

The contributed surplus of the Group represents the credit arising from the reduction of share capital of the Company in February 2003 which may then be utilised by the directors in accordance with the Company's Bye-laws and all applicable laws, including to eliminate the accumulated losses of the Company.