

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31st March 2005

	Share capital <i>HK\$'000</i>	Share premium account <i>HK\$'000</i>	Merger reserve <i>HK\$'000</i>	Translation reserve <i>HK\$'000</i>	Retained profits <i>HK\$'000</i>	Total <i>HK\$'000</i>
Balance at 1st April 2003	68,819	170	909	487	166,722	237,107
Exercise of share options	118	157	–	–	–	275
Net loss for the year	–	–	–	–	(19,587)	(19,587)
Translation difference arising from overseas subsidiaries not recognised in the consolidated income statement	–	–	–	218	–	218
Balance at 1st April 2004	68,937	327	909	705	147,135	218,013
Exercise of share options	553	816	–	–	–	1,369
Rights issue of shares	34,468	39,983	–	–	–	74,451
Placement of shares	13,000	28,080	–	–	–	41,080
Shares issued expenses	–	(4,979)	–	–	–	(4,979)
Net loss for the year	–	–	–	–	(130,270)	(130,270)
Translation difference arising from overseas subsidiaries not recognised in the consolidated income statement	–	–	–	708	–	708
<b>Balance at 31st March 2005</b>	<b>116,958</b>	<b>64,227</b>	<b>909</b>	<b>1,413</b>	<b>16,865</b>	<b>200,372</b>
Attributable to the associate:						
<b>At 31st March 2005</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(30,728)</b>	<b>(30,728)</b>
At 31st March 2004	–	–	–	–	(8,922)	(8,922)

The merger reserve represents the difference between the nominal value of shares of subsidiaries acquired and the nominal value of the Company's shares issued for the acquisition at the time of a previous corporate reorganisation.