

# Consolidated Statement of Changes in Equity

For the year ended 30 April 2006

	Share capital HK\$'000	Share premium HK\$'000	Capital redemption reserve HK\$'000	Capital reserve HK\$'000	Merger reserve HK\$'000 (Note)	Translation reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
At 1 May 2004	34,032	174,038	477	-	758	-	(193,156)	16,149
Issue of shares	10,806	4,286	-	-	-	-	-	15,092
Expenses incurred in connection with the issue of shares	-	(480)	-	-	-	-	-	(480)
Loss for the year	-	-	-	-	-	-	(39,752)	(39,752)
At 30 April 2005	44,838	177,844	477	-	758	-	(232,908)	(8,991)
At 1 May 2005	44,838	177,844	477	-	758	-	(232,908)	(8,991)
Capital reduction (Note 27(ii))	(42,596)	42,596	-	-	-	-	-	-
Rights issue (Note 27(iii))	2,242	20,178	-	-	-	-	-	22,420
Expenses incurred in connection with the issue of shares	-	(2,039)	-	-	-	-	-	(2,039)
Elimination of accumulated losses of the company	-	(238,519)	-	-	-	-	238,519	-
Translation reserve incurred in the year	-	-	-	-	-	(339)	-	(339)
Equity component of convertible bonds issued	-	-	-	40,542	-	-	-	40,542
Conversion of convertible bonds into shares (Note 27(iv))	1,074	2,470	-	(3,204)	-	-	-	340
Loss for the year	-	-	-	-	-	-	(49,964)	(49,964)
<b>At 30 April 2006</b>	<b>5,558</b>	<b>2,530</b>	<b>477</b>	<b>37,338</b>	<b>758</b>	<b>(339)</b>	<b>(44,353)</b>	<b>1,969</b>

Note: The merger reserve of the Group represents the difference between the nominal value of the shares of the acquired subsidiaries and the nominal value of the Company's shares issued for their acquisition at the time of a group reorganisation in 1998.

The notes on pages 27 to 69 are part of these financial statements.