

Consolidated Statement of Changes in Shareholders' Equity

For the year ended 31 December 2002
(All amounts in RMB thousands)

| | Ordinary shares Note 23 | Share premium Note 24(a) | Capital reserve Note 24(b) | Statutory surplus reserve Note 24(c) | Statutory public welfare reserve Note 24(d) | Retained earnings Note 24(e) | Total shareholders' equity |
|---|-------------------------------|--------------------------------|----------------------------------|---|---|------------------------------------|----------------------------------|
| Balance as of 1 January 2001 | 983,480 | 597,796 | — | 70,832 | 70,832 | 159,063 | 1,882,003 |
| Net profit | — | — | — | — | — | 206,658 | 206,658 |
| Addition from transaction with Holdings (Note 24(b)) | — | — | 25,289 | — | — | — | 25,289 |
| Profit appropriations | | | | | | | |
| — Dividends relating to 2000 (Note 8) | — | — | — | — | — | (29,504) | (29,504) |
| — Statutory surplus reserve | — | — | — | 44,606 | — | (44,606) | — |
| — Statutory public welfare reserve | — | — | — | — | 44,606 | (44,606) | — |
| Balance at 1 January 2002 | 983,480 | 597,796 | 25,289 | 115,438 | 115,438 | 247,005 | 2,084,446 |
| Net profit | — | — | — | — | — | 267,595 | 267,595 |
| Issuance of domestic public shares | 200,000 | 602,216 | — | — | — | — | 802,216 |
| Addition from subsidiaries' loan waived | — | — | 3,210 | — | — | — | 3,210 |
| Addition from a subsidiary's donation received | — | — | 131 | — | — | — | 131 |
| Profit appropriations | | | | | | | |
| — Dividends relating to 2001 (Note 8) | — | — | — | — | — | (49,174) | (49,174) |
| — Statutory surplus reserve | — | — | — | 61,568 | — | (61,568) | — |
| — Statutory public welfare reserve | — | — | — | — | 59,662 | (59,662) | — |
| Balance as of 31 December 2002 | 1,183,480 | 1,200,012 | 28,630 | 177,006 | 175,100 | 344,196 | 3,108,424 |

The accompanying accounting policies and notes form an integral part of these consolidated financial statements.