

Consolidated Statement of Changes in Equity

Year ended 31 December 2004

	Notes	Issued share capital RMB'000	Share premium account RMB'000	Capital reserves (Note ii) RMB'000	Statutory reserves RMB'000	Retained profits/ (losses) RMB'000	Proposed final dividend RMB'000	Total RMB'000
At 1 January 2003		170,500	–	(17,670)	133,935	(14,612)	213,125	485,278
Capitalisation of bonus shares		170,500	–	–	–	–	(170,500)	–
Final cash dividend for 2002 declared		–	–	–	–	–	(42,625)	(42,625)
Net profit for the year		–	–	–	–	523,398	–	523,398
Transfer back from statutory reserves		–	–	–	(1,879)	1,879	–	–
Transfer to statutory reserves		–	–	–	206,306	(206,306)	–	–
Transfer to capital reserves	(i)	–	–	861	–	(861)	–	–
Issue of H shares		131,100	1,727,306	–	–	–	–	1,858,406
Expenses for the placing and initial public offering		–	(84,918)	–	–	–	–	(84,918)
At 31 December 2003 and 1 January 2004		472,100	1,642,388	(16,809)	338,362	303,498	–	2,739,539
Net profit for the year		–	–	–	–	402,917	–	402,917
Transfer to statutory reserves		–	–	–	197,495	(197,495)	–	–
Transfer to capital reserves	(i)	–	–	3,675	–	(3,675)	–	–
Adjustment to expenses for the placing and initial public offering H shares		–	112	–	–	–	–	112
Proposed final dividend		–	–	–	–	(94,420)	94,420	–
At 31 December 2004		472,100	1,642,500	(13,134)	535,857	410,825	94,420	3,142,568

Notes:

- (i) In accordance with the relevant PRC regulations, an amount arising from the Group's share of the write back of long outstanding payables during the year was transferred to a non-distributable capital reserve.
- (ii) The capital reserves of the Group include non-distributable reserves of the Company and its subsidiaries created in accordance with accounting and financial regulations in the PRC.