

## Consolidated Statement of Changes in Equity

For the year ended 31st December, 2005

	Share capital	Share premium	Special reserve	Other reserve	Statutory surplus reserve fund	Enterprise expansion fund	Exchange reserve	Retained profits	Attributable to equity holders of the Company	Minority interests	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1st January, 2004	156,936	-	-	-	8,475	-	-	132,267	297,678	12,582	310,260
Profit for the year and total recognised income for year	-	-	-	-	-	-	-	123,091	123,091	21,667	144,758
Transfers	-	-	-	-	252	568	-	(820)	-	-	-
Capital contributions	79,547	-	-	-	-	-	-	-	79,547	9,312	88,859
Dividends	-	-	-	-	-	-	-	(109,562)	(109,562)	(3,499)	(113,061)
At 31st December, 2004	236,483	-	-	-	8,727	568	-	144,976	390,754	40,062	430,816
Profit for the year and total recognised income for the year	-	-	-	-	-	-	-	195,067	195,067	3,041	198,108
Transfer	-	-	-	-	10,257	9,639	-	(19,896)	-	-	-
Exchange difference arising on translation of overseas operations	-	-	-	-	-	-	(235)	-	(235)	-	(235)
Capital contributions	39,727	-	-	-	-	-	-	-	39,727	869	40,596
Issue of shares	86,334	452,012	-	-	-	-	-	-	538,346	-	538,346
Expenses incurred in connection with the issue	-	(30,339)	-	-	-	-	-	-	(30,339)	-	(30,339)
Reorganisation	(276,199)	-	276,199	19,511	-	-	-	-	19,511	-	19,511
Distribution (note 9)	-	-	-	-	-	-	-	(40,303)	(40,303)	-	(40,303)
Acquisition of additional interest in a subsidiary	-	-	-	-	-	-	-	-	-	(328)	(328)
Dividend Paid	-	-	-	-	-	-	-	(164,903)	(164,903)	(18,475)	(183,378)
At 31st December, 2005	86,345	421,673	276,199	19,511	18,984	10,207	(235)	114,941	947,625	25,169	972,794

The special reserve of the Group represents the difference between the nominal amount of the shares issued by the Company and the aggregate amount of the paid-in capital of subsidiaries acquired pursuant to the group reorganisation in June 2005.

The other reserve of the Group represents the contributions from a shareholder Mr. Chin Jong Hwa ("Mr. Chin") in connection with the Group's acquisition of an associate from Mr. Chin pursuant to the group reorganisation.

As stipulated by the relevant laws and regulations for foreign investment enterprise in the Mainland China (the "PRC"), the PRC subsidiaries are required to maintain three statutory reserves, being a statutory surplus reserve fund, an enterprise expansion fund and a staff welfare fund which are non-distributable. Appropriations to such reserves are made out of net profit after taxation of the statutory financial statements of the PRC subsidiaries while the amount and allocation basis are decided by its board of directors annually. The statutory surplus reserve fund can be used to make up its prior year losses, if any, and can be applied in conversion into capital by means of capitalisation issue. The enterprise expansion fund is used for expanding the capital base of the PRC subsidiaries by means of capitalisation issue.