

COMBINED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2005

	Attributable to equity holders of the Company							Total RMB
	Paid-in capital RMB	Investment revaluation reserve RMB	Special reserve RMB	Statutory surplus reserve RMB	Retained profits RMB	Minority interests RMB		
At 1 January 2004	257,550	3,603	4,327	810	40,582	306,872	42,182	349,054
Deficit on revaluation of investments	-	(46,115)	-	-	-	(46,115)	(11,709)	(57,824)
Tax effect on revaluation deficit of investments	-	5,214	-	-	-	5,214	-	5,214
Total expenses recognised directly in equity	-	(40,901)	-	-	-	(40,901)	(11,709)	(52,610)
Profit for the year	-	-	-	-	40,221	40,221	(28,186)	12,035
Total income (expenses) recognised for the year	-	(40,901)	-	-	40,221	(680)	(39,895)	(40,575)
Acquisition of subsidiaries	-	-	-	-	-	-	(47,682)	(47,682)
Acquisition of additional interest in a subsidiary	-	-	-	-	-	-	730	730
Discount on acquisition	-	-	-	-	-	-	(6,630)	(6,630)
Capital contributions by minority owner	-	-	-	-	-	-	161,348	161,348
Disposal of subsidiaries	-	-	-	-	-	-	(14,213)	(14,213)
Transfers	-	-	-	6,867	(6,867)	-	-	-
At 31 December 2004	257,550	(37,298)	4,327	7,677	73,936	306,192	95,840	402,032
Deficit on revaluation of investments as expenses recognised directly in equity	-	(21,048)	-	-	-	(21,048)	(8,725)	(29,773)
Profit for the year	-	-	-	-	133,054	133,054	(31,064)	101,990
Realised loss on investments	-	63,560	-	-	-	63,560	20,398	83,958
Release of tax effect on revaluation deficit of investments	-	(5,214)	-	-	-	(5,214)	-	(5,214)
Total income (expenses) recognised for the year	-	37,298	-	-	133,054	170,352	(19,391)	150,961
Acquisition of subsidiaries	-	-	-	-	-	-	6,572	6,572
Acquisition of additional interest in subsidiaries	-	-	-	-	-	-	(16,612)	(16,612)
Reserve movement arising from transfer-out of discontinued operations	(100,000)	-	97,041	-	-	(2,959)	-	(2,959)
Transfer-out of subsidiaries	-	-	-	-	-	-	(59,389)	(59,389)
Transfers	-	-	-	31,478	(31,478)	-	-	-
Dividends (note)	-	-	-	-	(100,472)	(100,472)	-	(100,472)
At 31 December 2005	157,550	-	101,368	39,155	75,040	373,113	7,020	380,133

Note: The dividend was settled by offsetting with the amount due from a fellow subsidiary.

As stipulated by the relevant laws and regulations in the People's Republic of China (the "PRC"), the PRC subsidiaries of the Company are required to set aside 10% of its profit after taxation for statutory surplus reserve (except where the reserve fund has reached 50% of the respective subsidiary's registered capital) and 5% to 10% of its profit after taxation for the statutory welfare fund. Appropriations to such reserve funds are made out of net profit after taxation as reported in the statutory financial statements of the PRC subsidiaries prepared in accordance with PRC accounting standards and the amount and allocation basis are decided by their respective board of directors annually. According to respective Articles of Association of the subsidiaries, 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 provided such conversion is approved by a resolution at a shareholders' meeting and the balance of the fund does not fall below 25% of the respective subsidiary's registered capital.