CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2005

| Attributable to | equity holders of the pare | nŧ |
|-----------------|----------------------------|----|
| ATTRIDUTABLE TO | POULLY DOLOPES OF THE DATE | m |

| Issued share capital share capital capital share reserve (apital share) Issued capital account (apital share) Capital capital account (apital share) Capital share reserve (apital share) Issued (apital share) Issued (apital share) Reserve (apital share) Restance (| | Attributable to equity floracis of the parent | | | | | | | | | |
|---|-------------------------------------|---|----------|---------|---------------------|---------|----------|----------|----------|----------|-------------------|
| capital RMB'000 account RMB'000 reserve RMB'000 feserve RMB'000 reserve RM | | Issued | Share | | Exchange | | | Proposed | | Minority | Total |
| RMB'000 RMB'000 <t< th=""><th></th><th rowspan="3">capital</th><th>premium</th><th rowspan="2">•</th><th colspan="2">Reserve fluctuation</th><th>Retained</th><th>final</th><th></th></t<> | | capital | premium | • | Reserve fluctuation | | Retained | final | | | |
| Act 1 January 2004 — 12,388 16,644 — 4,979 45,000 79,011 171 Exchange realignment — — — 35 — — 35 — Net profit for the year — — — — 42,134 — 42,134 170 Acquisition of minority interests — | | | account | | | | • | | | | equity RMB'000 |
| Exchange realignment — — — 35 — 35 — Net profit for the year — — — — — 42,134 — 42,134 170 Acquisition of minority interests — <t< th=""><th></th><th>RMB'000</th><th>RMB'000</th></t<> | | | RMB'000 | RMB'000 | | | | | | | |
| Net profit for the year — — — — 42,134 — 42,134 170 Acquisition of minority interests — | 1 January 2004 | _ | - | 12,388 | 16,644 | _ | 4,979 | 45,000 | 79,011 | 171 | 79,182 |
| Acquisition of minority interests | hange realignment | _ | _ | _ | _ | 35 | _ | _ | 35 | _ | 35 |
| Purchase of additional equity interest in a subsidiary — — 62 84 — 195 — 341 (341) Proposed final 2004 dividend — — — — — — (45,000) (45,000) — Capitalisation of reserves — — 7,470 (7,471) — — — (11) — Arising from the Reorganisation — — 27 — — — 27 — Transfer from retained profits — — — 3,738 — (3,738) — — — At 31 December 2004 — — — 19,947 12,995 35 43,570 — 76,547 — At 1 January 2005 — — 19,947 12,995 35 43,570 — 76,547 — Exchange realignment — — — — (1,661) — — 49,492 — 49,492 — | t profit for the year | _ | _ | _ | _ | _ | 42,134 | _ | 42,134 | 170 | 42,304 |
| in a subsidiary — 62 84 — 195 — 341 (341) Proposed final 2004 dividend — — — — — — (45,000) (45,000) — Capitalisation of reserves — — 7,470 (7,471) — — (1) — Arising from the Reorganisation — — 27 — — — 27 — Transfer from retained profits — — — 3,738 — (3,738) — — — At 31 December 2004 — — 19,947 12,995 35 43,570 — 76,547 — At 1 January 2005 — — 19,947 12,995 35 43,570 — 76,547 — Exchange realignment — — — — (1,661) — — 76,547 — Net profit for the year — — — — 49,492 | quisition of minority interests | _ | _ | _ | _ | _ | _ | _ | _ | _ | _ |
| Proposed final 2004 dividend — — — — — (45,000) (45,000) — Capitalisation of reserves — — 7,470 (7,471) — — — (1) — Arising from the Reorganisation — — 27 — — — 27 — Transfer from retained profits — — — 3,738 — (3,738) — — — At 31 December 2004 — — — 19,947 12,995 35 43,570 — 76,547 — At 1 January 2005 — — — 19,947 12,995 35 43,570 — 76,547 — Exchange realignment — — — — (1,661) — — 76,547 — Exchange realignment — — — — 49,492 — 49,492 — Proposed final 2005 dividend — (17,322) | chase of additional equity interest | | | | | | | | | | |
| Capitalisation of reserves — — 7,470 (7,471) — — — (1) — Arising from the Reorganisation — — 27 — — — 27 — Transfer from retained profits — — — 3,738 — (3,738) — — — At 31 December 2004 — — 19,947 12,995 35 43,570 — 76,547 — At 1 January 2005 — — — 19,947 12,995 35 43,570 — 76,547 — Exchange realignment — — — — (1,661) — — (1,661) — Net profit for the year — — — — — 49,492 — 49,492 — Proposed final 2005 dividend — (17,322) — — — — — — Capitalisation of reserves 24,355 (24,355) | n a subsidiary | _ | _ | 62 | 84 | _ | 195 | _ | 341 | (341) | _ |
| Arising from the Reorganisation | posed final 2004 dividend | _ | _ | _ | _ | _ | _ | (45,000) | (45,000) | _ | (45,000) |
| Transfer from retained profits — — — 3,738 — (3,738) — — — At 31 December 2004 — — 19,947 12,995 35 43,570 — 76,547 — At 1 January 2005 — — 19,947 12,995 35 43,570 — 76,547 — Exchange realignment — — — — (1,661) — — (1661) — Net profit for the year — — — — — — 49,492 — 49,492 — Proposed final 2005 dividend — (17,322) — — — — — — — Capitalisation of reserves 24,355 (24,355) — — — — — — — — Arising from the Reorganisation — — 35 — (35) — — — — Issue of shares for cash consid | pitalisation of reserves | _ | _ | 7,470 | (7,471) | _ | _ | _ | (1) | _ | (1) |
| At 31 December 2004 — — 19,947 12,995 35 43,570 — 76,547 — At 1 January 2005 — — 19,947 12,995 35 43,570 — 76,547 — Exchange realignment — — — — — (1,661) — — (1,661) — Net profit for the year — — — — — 49,492 — 49,492 — Proposed final 2005 dividend — (17,322) — — — — 17,322 — — Capitalisation of reserves 24,355 (24,355) — — — — — — — — — — — — — — — — — — | sing from the Reorganisation | _ | _ | 27 | _ | _ | _ | _ | 27 | _ | 27 |
| At 1 January 2005 — — 19,947 12,995 35 43,570 — 76,547 — Exchange realignment — — — — — — (1,661) — — (1,661) — Net profit for the year — — — — — — — 49,492 — 49,492 — Proposed final 2005 dividend — (17,322) — — — — 17,322 — — — Capitalisation of reserves 24,355 (24,355) — — — — — — — — — — — — — — — Issue of shares for cash consideration 8,118 87,678 — — — — — — 95,796 — — — — — — — — — — — — — — — — — — — | nsfer from retained profits | | | | 3,738 | | (3,738) | | | | |
| Exchange realignment — — — — (1,661) — — (1,661) — Net profit for the year — — — — 49,492 — 49,492 — Proposed final 2005 dividend — (17,322) — — — 17,322 — — Capitalisation of reserves 24,355 (24,355) — — — — — — — — Arising from the Reorganisation — — 35 — (35) — — — — Issue of shares for cash consideration 8,118 87,678 — — — — 95,796 — Share issue expense — (18,135) — — — — — — (18,135) — | 31 December 2004 | | | 19,947 | 12,995 | 35 | 43,570 | | 76,547 | | 76,547 |
| Net profit for the year — — — — 49,492 — 49,492 — Proposed final 2005 dividend — (17,322) — — — 17,322 — — Capitalisation of reserves 24,355 (24,355) — <td< td=""><td>1 January 2005</td><td>_</td><td>-</td><td>19,947</td><td>12,995</td><td>35</td><td>43,570</td><td>_</td><td>76,547</td><td>_</td><td>76,547</td></td<> | 1 January 2005 | _ | - | 19,947 | 12,995 | 35 | 43,570 | _ | 76,547 | _ | 76,547 |
| Proposed final 2005 dividend — (17,322) — — — 17,322 — — Capitalisation of reserves 24,355 (24,355) — | hange realignment | _ | _ | _ | _ | (1,661) | _ | _ | (1,661) | _ | (1,661) |
| Capitalisation of reserves 24,355 (24,355) — — — — — — — Arising from the Reorganisation — — 35 — (35) — — — Issue of shares for cash consideration 8,118 87,678 — — — — 95,796 — Share issue expense — (18,135) — — — — — (18,135) — | t profit for the year | _ | _ | _ | _ | _ | 49,492 | _ | 49,492 | _ | 49,492 |
| Arising from the Reorganisation | posed final 2005 dividend | _ | (17,322) | _ | _ | _ | _ | 17,322 | _ | _ | _ |
| Issue of shares for cash consideration 8,118 87,678 - - - - 95,796 - Share issue expense - (18,135) - - - - (18,135) - | pitalisation of reserves | 24,355 | (24,355) | _ | _ | _ | _ | _ | _ | _ | _ |
| Share issue expense — (18,135) — — — — — (18,135) — | sing from the Reorganisation | _ | _ | 35 | _ | (35) | _ | _ | _ | _ | _ |
| | ue of shares for cash consideration | 8,118 | 87,678 | _ | _ | _ | _ | _ | 95,796 | _ | 95,796 |
| Transfer from retained profits | are issue expense | _ | (18,135) | _ | _ | _ | _ | _ | (18,135) | _ | (18,135) |
| | nsfer from retained profits | | | | 8,238 | | (8,238) | | | | |
| At 31 December 2005 32,473 27,866 19,982 21,233 (1,661) 84,824 17,322 202,039 — | 31 December 2005 | 32,473 | 27,866 | 19,982 | 21,233 | (1,661) | 84,824 | 17,322 | 202,039 | | 202,039 |

The consolidated reserves in the consolidated balance sheet includes share premium account, capital reserve, reserve funds, exchange fluctuation reserve and retained profits.

^{*} Detail movement of reserve funds are set out in note 30(a).