

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2005

	Attributable to equity holders of the Company											
	Share capital	Share premium	Convertible bond-equity reserve	Special reserve	Goodwill reserve	Statutory reserves	Property revaluation reserve	Translation reserve	Accumulated profits	Total	Minority interests	Total
At 1 January 2004 as originally stated	78,122	579,828	-	1,167	5,590	33,430	40,210	-	399,752	1,138,099	339,447	1,477,546
Effects of HKAS 17	-	-	-	-	-	-	(26,143)	-	(5,235)	(31,378)	(6,800)	(38,178)
As restated	78,122	579,828	-	1,167	5,590	33,430	14,067	-	394,517	1,106,721	332,647	1,439,368
Surplus arising on revaluation of buildings	-	-	-	-	-	-	11,850	-	-	11,850	-	11,850
Deferred taxation liability on revaluation of buildings	-	-	-	-	-	-	(3,323)	-	-	(3,323)	-	(3,323)
Share of valuation surplus by minority shareholders	-	-	-	-	-	-	(1,541)	-	-	(1,541)	1,541	-
Net income recognised directly in equity	-	-	-	-	-	-	6,986	-	-	6,986	1,541	8,527
Profit for the year	-	-	-	-	-	-	-	-	250,648	250,648	53,264	303,912
Total recognised income and expenses for the year	-	-	-	-	-	-	6,986	-	250,648	257,634	54,805	312,439
Issue of shares on placing (note a)	12,932	483,657	-	-	-	-	-	-	-	496,589	-	496,589
Share issue expenses	-	(12,654)	-	-	-	-	-	-	-	(12,654)	-	(12,654)
Issue of shares on exercise of share options (note b)	900	19,478	-	-	-	-	-	-	-	20,378	-	20,378
Capital contribution from minority shareholders	-	-	-	-	-	-	-	-	-	-	59,852	59,852
Recognition of equity components of convertible bonds	-	-	53,896	-	-	-	-	-	-	53,896	-	53,896
Dividend paid to minority shareholders	-	-	-	-	-	-	-	-	-	-	(3,575)	(3,575)
Acquisition of additional interests from minority shareholders	-	-	-	-	-	-	-	-	-	-	(5,441)	(5,441)
Transfer to statutory reserves (note d)	-	-	-	-	-	10,920	-	-	(10,920)	-	-	-
At 31 December 2004 (restated)	91,954	1,070,309	53,896	1,167	5,590	44,350	21,053	-	634,245	1,922,564	438,288	2,360,852
- adjustment on 1 January 2005	-	-	-	-	(5,590)	-	-	-	2,822	(2,768)	-	(2,768)
At 1 January 2005 (restated)	91,954	1,070,309	53,896	1,167	-	44,350	21,053	-	637,067	1,919,796	438,288	2,358,084

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)**

For the year ended 31 December 2005

	Attributable to equity holders of the Company											Total RMB'000
	Share capital RMB'000	Share premium RMB'000	Convertible bond- equity reserve RMB'000	Special reserve RMB'000	Goodwill reserve RMB'000	Statutory reserves RMB'000	Property revaluation reserve RMB'000	Translation reserve RMB'000	Accumulated profits RMB'000	Total RMB'000	Minority interests RMB'000	
Deficit arising on revaluation of buildings	-	-	-	-	-	-	(3,428)	-	-	(3,428)	-	(3,428)
Reversal of deferred taxation liability on revaluation of buildings	-	-	-	-	-	-	1,333	-	-	1,333	-	1,333
Share of valuation deficit by minority shareholders	-	-	-	-	-	-	787	-	-	787	(787)	-
Exchange difference arising on translation of foreign operations	-	-	-	-	-	-	-	9,566	-	9,566	-	9,566
Net income recognised directly in equity	-	-	-	-	-	-	(1,308)	9,566	-	8,258	(787)	7,471
Profit for the year	-	-	-	-	-	-	-	-	303,118	303,118	87,150	390,268
Total recognised income and expenses for the year	-	-	-	-	-	-	(1,308)	9,566	303,118	311,376	86,363	397,739
Issue of shares on exercise of share options (note b)	2,343	50,746	-	-	-	-	-	-	-	53,089	-	53,089
Issue of shares on conversion of convertible bonds and transfer from capital reserve to share capital and share premium (note c)	1,522	6,128	(7,797)	-	-	-	-	-	147	-	-	-
Transfer from convertible bonds liability to share premium on conversion of convertible bonds	-	73,082	-	-	-	-	-	-	-	73,082	-	73,082
Capital contribution from minority shareholders	-	-	-	-	-	-	-	-	-	-	16,428	16,428
Disposal of a subsidiary	-	-	-	-	-	-	-	-	-	-	(550)	(550)
Dividend appropriation	-	-	-	-	-	-	-	-	(25,254)	(25,254)	-	(25,254)
Dividend paid to minority shareholders	-	-	-	-	-	-	-	-	-	-	(21,750)	(21,750)
Transfer to statutory reserves (note d)	-	-	-	-	-	26,331	-	-	(26,331)	-	-	-
At 31 December 2005	95,819	1,200,265	46,099	1,167	-	70,681	19,745	9,566	888,747	2,332,089	518,779	2,850,868

**Notes:**

- On 23 February 2004, 122,000,000 shares of HK\$0.10 each were issued at HK\$3.84 per share by way of placing. These shares rank pari passu with the existing shares in all respects. The net proceeds from shares issued were used as general working capital and expansion of the Group.
- On 2 March 2004, 8,100,000 shares were issued in relation to the exercise of share options. The shares were issued at an exercise price of HK\$2.265 per share. The market closing price as at that date was HK\$4.15.  
  
On 28 February 2005, 10 June 2005 and 22 June 2005, 11,637,500, 6,525,000 and 3,950,000 shares were issued in relation to the exercise of share options respectively. The shares were issued at an exercise price of HK\$2.265 per share. The market closing prices as at 28 February 2005, 10 June 2005 and 22 June 2005 were HK\$4.325, HK\$5.35 and HK\$5.4 respectively.
- In August and October 2005, 10,613,331 and 4,020,229 shares were issued in relation to the conversion of convertible bonds ("CB") to shares by various CB holders respectively. The shares were issued at an conversion price of HK\$5.4375 per share. These shares rank pari passu with the existing shares in all respects.
- In accordance with the People's Republic of China ("PRC") regulations, the statutory reserves retained by the subsidiaries in the PRC are non-distributable.