

# Consolidated Statement of Changes in Equity<sup>■</sup>

For the year ended 31 December, 2006

	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 1 January, 2005	236,483	—	—	—	8,727	568	—	144,976	390,754	40,062	430,816
Exchange difference arising on translation of foreign operations and net loss recognised directly in equity	—	—	—	—	—	—	(235)	—	(235)	—	(235)
Profit for the year	—	—	—	—	—	—	—	195,067	195,067	3,041	198,108
Total recognised income	—	—	—	—	—	—	(235)	195,067	194,832	3,041	197,873
Transfer	—	—	—	—	10,257	9,639	—	(19,896)	—	—	—
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 10)	—	—	—	—	—	—	—	(40,303)	(40,303)	—	(40,303)
Acquisition of additional interest in a subsidiary	—	—	—	—	—	—	—	—	—	(328)	(328)
Dividend paid (note 10)	—	—	—	—	—	—	—	(164,903)	(164,903)	(18,475)	(183,378)
At 31 December, 2005	86,345	421,673	276,199	19,511	18,984	10,207	(235)	114,941	947,625	25,169	972,794
Exchange difference arising on translation of overseas operations and net loss recognised directly in equity	—	—	—	—	—	—	(6,124)	—	(6,124)	(13)	(6,137)
Profit for the year	—	—	—	—	—	—	—	268,701	268,701	6,405	275,106
Total recognised income	—	—	—	—	—	—	(6,124)	268,701	262,577	6,392	268,969
Transfer	—	—	—	—	11,830	952	—	(12,782)	—	—	—
Capital contribution from minority shareholders	—	—	—	—	—	—	—	—	—	6,554	6,554
Acquisition of subsidiaries (note 26)	—	—	—	—	—	—	—	—	—	4,450	4,450
Acquisition of additional interest in a subsidiary	—	—	—	—	—	—	—	—	—	(8,085)	(8,085)
Dividend paid (note 10)	—	—	—	—	—	—	—	(27,519)	(27,519)	—	(27,519)
At 31 December, 2006	86,345	421,673	276,199	19,511	30,814	11,159	(6,359)	343,341	1,182,683	34,480	1,217,163

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 statutory reserves fund which are non-distributable. Appropriations to such reserves are made out of profit after taxation of the statutory financial statements of the PRC subsidiaries. The amount and basis of allocation 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.