Consolidated Statement of Changes in Equity

For the year ended 31 December 2006

	Share capital RMB'000	Share premium RMB'000	Merger reserve RMB'000	Reserve fund RMB'000	Employee share-based compensation reserve RMB'000	Convertible bond reserve RMB'000	Exchange reserve RMB'000	Retained profits RMB'000	Total RMB'000	Minority interest RMB'000	Total RMB'000
Balance as at 1 January 2005	828	10,453	3,376	7,040	–	–	–	20,557	42,254	–	42,254
Issue of convertible bond	–	–	–	–	–	617	–	–	617	–	617
Profit for the year	–	–	–	–	–	–	–	40,987	40,987	–	40,987
Appropriations	–	–	–	4,198	–	–	–	(4,198)	–	–	–
Dividends	–	–	–	–	–	–	–	(23,786)	(23,786)	–	(23,786)
Balance as at 31 December 2005 and 1 January 2006	828	10,453	3,376	11,238	–	617	–	33,560	60,072	–	60,072
Reorganisation	(828)	–	828	–	–	–	–	–	–	–	–
Issue of shares and credited as fully paid (Note 27(a))	103	(103)	–	–	–	–	–	–	–	–	–
Issue of shares of the Company to acquire Millstone and share capital fully paid (Note 27(c))	103	(10,453)	10,350	–	–	–	–	–	–	–	–
Conversion of the Bond (Note 27(d))	37	27,280	–	–	–	(617)	–	–	26,700	–	26,700
Capitalisation issue (Note 27(e))	15,207	(15,207)	–	–	–	–	–	–	–	–	–
Initial public offering (Note 27(f))	5,150	49,440	–	–	–	–	–	–	54,590	–	54,590
Share issuance expense	–	(12,029)	–	–	–	–	–	–	(12,029)	–	(12,029)
Employee compensation benefit	–	–	–	–	1,197	–	–	–	1,197	–	1,197
Acquisition of a subsidiary	–	–	–	–	–	–	–	–	–	1,203	1,203
Profit for the year	–	–	–	–	–	–	–	19,199	19,199	(142)	19,057
Appropriations	–	–	–	2,273	–	–	–	(2,273)	–	–	–
Currency translation difference	–	–	–	–	–	–	(840)	–	(840)	–	(840)
Dividends	–	–	–	–	–	–	–	(10,000)	(10,000)	–	(10,000)
Balance as at 31 December 2006	20,600	49,381	14,554	13,511	1,197	–	(840)	40,486	138,889	1,061	139,950

Note: The share capital of RMB828,000 presented as at 31 December 2005 represented the share capital of Millstone (as defined thereafter), which was the then holding company of the Group.

The notes on pages 40 to 80 form an integral part of these financial statements.