

Statements of Changes in Equity

For the year ended 31st December, 2002

	Share capital RMB'000	Share premium RMB'000	Special reserve RMB'000	Statutory reserves RMB'000	Revaluation reserve RMB'000	Exchange reserve RMB'000	Contributed surplus RMB'000	Accumulated profits RMB'000	Total RMB'000
THE GROUP									
At 1st January, 2001	38,850	67,479	34,583	58,949	27,366	150	-	123,416	350,793
Surplus on revaluation of property, plant and equipment not recognised in the consolidated income statement	-	-	-	-	585	-	-	-	585
Profit for the year	-	-	-	-	-	-	-	108,121	108,121
Transfers	-	-	-	21,553	-	-	-	(21,553)	-
Dividends	-	-	-	-	-	-	-	(29,526)	(29,526)
At 31st December, 2001 and 1st January, 2002	38,850	67,479	34,583	80,502	27,951	150	-	180,458	429,973
Surplus on revaluation of property, plant and equipment not recognised in the consolidated income statement	-	-	-	-	28,474	-	-	-	28,474
Issue of shares	3,745	76,773	-	-	-	-	-	-	80,518
Expenses incurred in connection with the issue of shares	-	(1,748)	-	-	-	-	-	-	(1,748)
Profit for the year	-	-	-	-	-	-	-	119,640	119,640
Transfers	-	-	-	20,712	-	-	-	(20,712)	-
Dividends	-	-	-	-	-	-	-	(30,499)	(30,499)
At 31st December, 2002	<u>42,595</u>	<u>142,504</u>	<u>34,583</u>	<u>101,214</u>	<u>56,425</u>	<u>150</u>	<u>-</u>	<u>248,887</u>	<u>626,358</u>
THE COMPANY									
At 1st January, 2001	38,850	67,479	-	-	-	-	169,764	2,736	278,829
Profit for the year	-	-	-	-	-	-	-	27,155	27,155
Dividends	-	-	-	-	-	-	-	(29,526)	(29,526)
At 31st December, 2001 and 1st January, 2002	38,850	67,479	-	-	-	-	169,764	365	276,458
Issue of shares	3,745	76,773	-	-	-	-	-	-	80,518
Expenses incurred in connection with the issue of shares	-	(1,748)	-	-	-	-	-	-	(1,748)
Profit for the year	-	-	-	-	-	-	-	32,758	32,758
Dividends	-	-	-	-	-	-	-	(30,499)	(30,499)
At 31st December, 2002	<u>42,595</u>	<u>142,504</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>169,764</u>	<u>2,624</u>	<u>357,487</u>

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The special reserve represents the difference between the nominal value of the share capital of the subsidiaries acquired and the nominal amount of the share capital issued for the acquisition of those subsidiaries.

The statutory reserves are reserves required by the relevant PRC laws in the People's Republic of China applicable to the Group's PRC subsidiaries.

The contributed surplus represents the difference between the consolidated shareholders' funds of the subsidiaries and the nominal value of the Company's shares issued less the amount applied to pay up nil paid shares.

In the opinion of the directors, the Company's reserves available for distribution to shareholders as at 31st December, 2002 comprised contributed surplus and retained profits in aggregate amounting to approximately RMB172,388,000 (2001: RMB170,129,000).