

Statements of Changes in Equity

Year ended 31 December 2004

| | Notes | Group | | Company | |
|---|-------|-----------------|-----------------|-----------------|-----------------|
| | | 2004 RMB'000 | 2003 RMB'000 | 2004 RMB'000 | 2003 RMB'000 |
| Issued capital | 27 | | | | |
| At beginning of year | | 84,880 | — | 84,880 | — |
| Issue of shares | | — | 21,220 | — | 21,220 |
| Capitalisation of share premium | | — | 63,660 | — | 63,660 |
| At end of year | | 84,880 | 84,880 | 84,880 | 84,880 |
| Share premium | | | | | |
| At beginning of year | | 69,583 | — | 69,583 | — |
| Issue of shares | | — | 148,263 | — | 148,263 |
| Share issue expenses | | — | (15,020) | — | (15,020) |
| Capitalisation of share premium | | — | (63,660) | — | (63,660) |
| At end of year | | 69,583 | 69,583 | 69,583 | 69,583 |
| Contributed surplus | 29 | | | | |
| At beginning of year | | 100,175 | 100,175 | 100,175 | — |
| Capitalisation of loans from shareholders | | — | — | — | 100,175 |
| At end of year | | 100,175 | 100,175 | 100,175 | 100,175 |
| Statutory surplus reserve | 29 | | | | |
| At beginning of year | | 22,837 | 11,722 | — | — |
| Transfer from retained profits | | 10,090 | 11,115 | — | — |
| At end of year | | 32,927 | 22,837 | — | — |
| Exchange fluctuation reserve | | | | | |
| At beginning of year | | 823 | — | 666 | — |
| Exchange realignment | | (4) | 823 | 81 | 666 |
| At end of year | | 819 | 823 | 747 | 666 |

Statements of Changes in Equity

Year ended 31 December 2004

| | Notes | Group | | Company | |
|--|-------|-----------------|-----------------|-----------------|-----------------|
| | | 2004 RMB'000 | 2003 RMB'000 | 2004 RMB'000 | 2003 RMB'000 |
| Retained profits/(accumulated loss) | | | | | |
| At beginning of year | | 65,766 | 11,459 | 37,124 | (43) |
| Net profit for the year | | 80,171 | 108,022 | 4,184 | 79,767 |
| Transfer to statutory surplus reserve | 29 | (10,090) | (11,115) | — | — |
| Interim dividend | 13 | (12,760) | (12,760) | (12,760) | (12,760) |
| Proposed final dividend | 13/33 | (19,543) | (29,840) | (19,543) | (29,840) |
| At end of year | | 103,544 | 65,766 | 9,005 | 37,124 |
| Total Reserves | | 307,048 | 259,184 | 179,510 | 207,548 |
| Proposed dividend | | | | | |
| At beginning of year | 13 | 29,840 | 69,245 | 29,840 | — |
| Final dividend declared | 13 | (29,840) | (69,245) | (29,840) | — |
| Proposed final dividend | 13/33 | 19,543 | 29,840 | 19,543 | 29,840 |
| At end of year | | 19,543 | 29,840 | 19,543 | 29,840 |
| Total | | 411,471 | 373,904 | 283,933 | 322,268 |