

# Consolidated Statement of Changes in Equity

For the year ended 31st December, 2004



	Share capital RMB'000	Share premium RMB'000	Non- distributable reserves RMB'000	Special reserve RMB'000	Accumulated profits RMB'000	Total RMB'000
At 1st January, 2003	21,000	15,897	(1,127)	157,178	91,396	284,344
Net profit for the year	—	—	—	—	11,603	11,603
Dividend	—	—	—	—	(4,200)	(4,200)
At 1st January, 2004	21,000	15,897	(1,127)	157,178	98,799	291,747
Net profit for the year	—	—	—	—	13,805	13,805
Dividend	—	—	—	—	(4,200)	(4,200)
At 31st December, 2004	21,000	15,897	(1,127)	157,178	108,404	301,352

The non-distributable reserves represent statutory reserves appropriated from the profit after tax of the Company's subsidiaries established in the People's Republic of China (the "PRC") under the PRC laws and regulations and capital deficit arising from capital injections by the Group into the Company's subsidiaries in the PRC in the form of foreign currencies.

The special reserve represents the difference between the nominal value of the share capital issued by the Company and the nominal value of the share capital of the subsidiaries acquired pursuant to the group reorganisation in 2001 and the surplus arising pursuant to the capitalisation of an amount payable to a fellow subsidiary as part of the group reorganisation.