

Consolidated Statement of Changes in Equity

For the year ended 31 December 2006

	Share capital US\$	Share premium US\$	Exchange reserve US\$	General reserve US\$	Retained profits US\$	Total US\$
Balance at 1 January 2005	13,714,560	81,525,984	617,622	1,091,885	42,080,487	139,030,538
Exchange difference on translation of financial statements of foreign entities not recognised in the income statement	–	–	365,958	–	–	365,958
Share of changes in reserve of associates	–	–	404,459	–	–	404,459
Net income recognised directly in equity	–	–	770,417	–	–	770,417
Profit for the year	–	–	–	–	7,830,026	7,830,026
Total recognised income for the year	–	–	770,417	–	7,830,026	8,600,443
Final dividend paid for 2004	–	–	–	–	(960,019)	(960,019)
Transfer to general reserve	–	–	–	184,979	(184,979)	–
Balance at 1 January 2006	13,714,560	81,525,984	1,388,039	1,276,864	48,765,515	146,670,962
Exchange difference on translation of financial statements of foreign entities not recognised in the income statement	–	–	309,836	–	–	309,836
Share of changes in reserve of associates	–	–	474,037	–	–	474,037
Net recognised income directly in equity	–	–	783,873	–	–	783,873
Profit for the year	–	–	–	–	115,417,275	115,417,275
Total income recognised for the year	–	–	783,873	–	115,417,275	116,201,148
Transfer to general reserve	–	–	–	277,387	(277,387)	–
Balance at 31 December 2006	13,714,560	81,525,984	2,171,912	1,554,251	163,905,403	262,872,110

The general reserve represents the general reserve fund set aside by a subsidiary in accordance with relevant laws and regulations of the People's Republic of China ("PRC"), which is not available for distribution.