

SUPPLEMENTARY FINANCIAL INFORMATION

As detailed in note 2 to the financial statements, the Group's financial statements are prepared in accordance with Hong Kong Statements of Standard Accounting Practice and include the financial statements of the Company and the consolidated financial statements of Timor Enterprise Limited ("Timor", the Group's former ultimate holding company). The consolidated financial statements of Timor are prepared on an acquisition basis which requires Timor to consolidate the accounts of subsidiaries from the date that the subsidiaries are acquired. Accordingly, the consolidated profit and loss account of Timor for the year ended 30th June 2000 only includes the results of the subsidiaries since their respective dates of acquisition and the consolidated balance sheet of Timor as at 30th June 2000 did not include assets and liabilities of those subsidiaries which were acquired after 30th June 2000.

For comparison purpose, the directors consider that it is appropriate to provide additional financial information to shareholders by presenting the pro forma combined profit and loss account and pro forma combined balance sheet of the Group, which are prepared as if the subsidiaries acquired during the months from January 2000 to July 2000 had been subsidiaries of the Group since 1st July 1999.

The pro forma financial information of the Group does not form part of the statutory financial statements of the Group.

SUPPLEMENTARY FINANCIAL INFORMATION *(Continued)*

PROFIT AND LOSS ACCOUNT

	Actual consolidated Year ended 30th June 2001	Pro forma combined Year ended 30th June 2000
	RMB'000	RMB'000
Turnover	725,546	154,225
Cost of sales	(179,875)	(42,583)
Gross profit	545,671	111,642
Other revenue	10,997	181
Selling and distribution expenses	(61,325)	(10,952)
General and administrative expenses	(46,326)	(8,343)
Other operating expenses	(4,985)	(186)
Operating profit	444,032	92,342
Finance cost	(1,588)	—
Profit before taxation	442,444	92,342
Taxation	(1,623)	(16,622)
Profit after taxation	440,821	75,720
Minority interests	—	(8,406)
Profit attributable to shareholders	440,821	67,314
Dividends	(123,808)	(20,000)
Profit for the year retained	317,013	47,314
Earnings per share - basic	RMB 0.31	*RMB 0.06

* The computation of the pro forma earnings per share for the year ended 30th June 2000 is based on the Group's pro forma combined profit after taxation and minority interests attributable to shareholders for the same period of RMB67,314,000 and 1,200,000,000 ordinary shares (the number of shares of the Company right before the placing and public offer) deemed to be in issue throughout the year.

SUPPLEMENTARY FINANCIAL INFORMATION *(Continued)*

BALANCE SHEET

AS AT 30TH JUNE 2001

	Actual consolidated 2001	Pro forma combined 2000
	RMB'000	RMB'000
Fixed assets	135,192	6,536
Construction-in-progress	128,160	—
Deferred development costs	49,443	25,300
Long-term prepaid rentals	239,436	51,883
Other long-term receivables and deposits	2,150	22,150
Current assets		
Inventories, at cost	28,325	7,565
Accounts receivable	25,150	4,459
Other receivables, deposits and prepayments	58,501	24,512
Amounts due from related companies	—	200
Loan to a third party	—	30,000
Cash and bank balances	577,169	13,940
	689,145	80,676
Current liabilities		
Amounts due to related companies	2,352	535
Other payables and accrued charges	21,026	20,174
Dividend payable	123,808	20,000
Short term bank loan - secured	50,000	—
Taxation	38,613	36,990
	235,799	77,699
Net current assets/(liabilities)	453,346	2,977
Total assets less current liabilities	1,007,727	108,846
Financed by:		
Share capital	169,824	516
Reserves	837,903	92,700
Shareholders' funds	1,007,727	93,216
Long-term advances from shareholders	—	15,630
	1,007,727	108,846