

Consolidated Income Statement

FOR THE YEAR ENDED 30 JUNE 2004

	Note	2004 RMB'000	2003 RMB'000
Turnover	4	1,861,758	1,485,307
Cost of sales		(629,894)	(491,517)
Gross profit		1,231,864	993,790
Other revenue	5	30,170	30,088
Selling and distribution expenses		(185,094)	(139,767)
General and administrative expenses		(102,269)	(88,638)
Research expenses		(66,709)	(58,535)
Other operating expenses	7	(43,812)	(33,369)
Profit from operations		864,150	703,569
Finance costs	8(a)	(10,844)	(15,345)
Share of profits less losses of associates		52,262	37,803
Profit from ordinary activities before taxation	8	905,568	726,027
Taxation	9	89,083	(2,838)
Profit from ordinary activities after taxation		994,651	723,189
Minority interests		2,103	1,945
Profit attributable to shareholders	10	996,754	725,134
Earnings per share			
— Basic	11(a)	RMB0.46	RMB0.36
— Diluted	11(b)	RMB0.45	RMB0.36
Dividends			
— Final	12	180,411	71,795
— Special	12	18,744	—
		199,155	71,795

The notes on pages 43 to 83 form an integral part of these financial statements.

Consolidated Balance Sheet

30 JUNE 2004

	Note	2004 RMB'000	2003 RMB'000
NON-CURRENT ASSETS			
Fixed assets	16	1,425,932	1,012,268
Construction-in-progress	17	409,332	371,854
Computer software development cost	18	19,724	39,182
Deferred development costs	19	74,758	72,762
Land use rights	20	23,391	—
Long-term prepaid rentals	21	1,138,300	597,897
Long-term bank deposits	22	—	103,233
Deferred expenditure	23	43,234	44,296
Other long-term deposits		2,150	2,150
Interests in associates	25	239,733	183,267
CURRENT ASSETS			
Inventories	26	126,406	80,497
Trade receivables	27	59,669	69,407
Other receivables, deposits and prepayments		206,668	179,145
Cash and bank balances	22	944,479	764,053
		1,337,222	1,093,102
CURRENT LIABILITIES			
Amount due to a related company	28	7,306	6,167
Trade payables	29	9,053	16,172
Other payables and accrued charges		44,298	41,546
Bank loans — secured	33	38,569	462,932
Taxation	9(b)	—	93,096
		99,226	619,913
NET CURRENT ASSETS			
		1,237,996	473,189
NET ASSETS			
		4,614,550	2,900,098
CAPITAL AND RESERVES			
Share capital	30	248,479	203,266
Reserves	32(a)	4,364,565	2,693,223
		4,613,044	2,896,489
MINORITY INTERESTS			
		1,506	3,609
		4,614,550	2,900,098

Approved and authorised for issue by the board of directors on 19 October 2004.

On behalf of the board

Kwok Ho
Director

Ip Chi Ming
Director

The notes on pages 43 to 83 form an integral part of these financial statements.

Balance Sheet

30 JUNE 2004

	Note	2004 RMB'000	2003 RMB'000
NON-CURRENT ASSETS			
Interests in subsidiaries	24	1,841,291	1,679,552
CURRENT ASSETS			
Other receivables, deposits and prepayments		12,526	6,894
Cash and bank balances	22	401,934	219,311
		414,460	226,205
CURRENT LIABILITIES			
Other payables and accrued charges		4,851	1,736
Bank loans — secured	33	—	412,932
		4,851	414,668
NET CURRENT ASSETS/(LIABILITIES)		409,609	(188,463)
NET ASSETS		2,250,900	1,491,089
CAPITAL AND RESERVES			
Share capital	30	248,479	203,266
Reserves	32(b)	2,002,421	1,287,823
		2,250,900	1,491,089

Approved and authorised for issue by the board of directors on 19 October 2004.

On behalf of the board

Kwok Ho
Director

Ip Chi Ming
Director

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Consolidated Cash Flow Statement

YEAR ENDED 30 JUNE 2004

	Note	2004 RMB'000	2003 RMB'000
OPERATING ACTIVITIES			
Profit from operations		864,150	703,569
Interest income		(6,950)	(16,930)
Depreciation charges		83,352	52,971
Amortisation of land use rights		274	—
Loss on disposal of fixed assets		5,447	5,366
Loss on disposal of project giving rise to deferred expenditure		74	—
Amortisation of computer software development cost		19,658	19,591
Amortisation of deferred development costs		5,173	3,150
Amortisation of long-term prepaid rentals		14,507	9,078
Amortisation of deferred expenditure		11,406	13,146
Amortisation of negative goodwill		(8,136)	(8,136)
Operating profit before changes in working capital		988,955	781,805
Increase in inventories, trade receivables, other receivables, deposits and prepayments		(47,614)	(81,126)
(Decrease)/increase in trade payables, other payables and accrued charges		(4,367)	8,118
Increase in amount due to a related company		1,139	1,859
(Decrease)/increase in amount due to an associate		(80)	80
Cash generated from operations		938,033	710,736
Interest received		6,950	16,930
Finance costs paid		(10,844)	(15,345)
Dividends paid		(71,795)	(182,490)
NET CASH INFLOW FROM OPERATING ACTIVITIES		862,344	529,831

Consolidated Cash Flow Statement

YEAR ENDED 30 JUNE 2004

	Note	2004 RMB'000	2003 RMB'000
INVESTING ACTIVITIES			
Purchase of fixed assets		(99,521)	(266,200)
Proceeds from sales of fixed assets		31,046	10,754
Proceeds from disposal of project giving rise to deferred expenditure		1,730	—
Payment of construction-in-progress		(482,182)	(462,439)
Payment of computer software development cost		(200)	(2,773)
Payment of deferred development costs		(7,169)	(6,430)
Payment of long-term prepaid rentals		(639,020)	(187,916)
Refund of long-term prepaid rentals		78,745	21,266
Payment of deferred expenditure		(12,148)	(57,442)
Payment of land use rights		(23,665)	—
Decrease in long-term bank deposits		103,233	2,647
NET CASH USED IN INVESTING ACTIVITIES		(1,049,151)	(948,533)
FINANCING ACTIVITIES			
Proceeds from issue of new shares		809,367	—
Issuing expenses		(17,771)	—
Repurchase of shares		—	(6,301)
Contributions from minority interests		—	254
New bank loans		40,010	297,759
Repayment of bank loans		(464,373)	—
Bank deposits pledged for banking facilities	22	—	(21,176)
Return of bank deposits pledged for banking facilities		21,176	—
NET CASH INFLOW FROM FINANCING ACTIVITIES		388,409	270,536
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		201,602	(148,166)
CASH AND CASH EQUIVALENTS AT 1 JULY		742,877	891,043
CASH AND CASH EQUIVALENTS AT 30 JUNE	22	944,479	742,877

The notes on pages 43 to 83 form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

YEAR ENDED 30 JUNE 2004

	Share capital	Share premium	Capital reserve	Capital redemption reserve	Statutory common reserve	Statutory welfare reserve	Retained profits	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 July 2002	203,789	1,133,040	94,894	—	80,624	731	847,068	2,360,146
Repurchase of shares	(523)	—	—	—	—	—	—	(523)
Premium on share repurchased	—	(5,778)	—	—	—	—	—	(5,778)
Transfer to capital redemption reserve	—	—	—	523	—	—	(523)	—
Profit for the year	—	—	—	—	—	—	725,134	725,134
2001/2002 final dividends paid	—	—	—	—	—	—	(182,490)	(182,490)
Appropriation	—	—	—	—	3,487	—	(3,487)	—
At 30 June 2003 and 1 July 2003	203,266	1,127,262	94,894	523	84,111	731	1,385,702	2,896,489
Issue of shares	29,646	711,514	—	—	—	—	—	741,160
Bonus shares issued	10,286	(10,286)	—	—	—	—	—	—
New shares exercised under share option scheme	5,281	62,926	—	—	—	—	—	68,207
Profit for the year	—	—	—	—	—	—	996,754	996,754
2002/2003 final dividends paid	—	—	—	—	—	—	(71,795)	(71,795)
Issuing expenses	—	(17,771)	—	—	—	—	—	(17,771)
Appropriation	—	—	—	—	96,911	300	(97,211)	—
At 30 June 2004	248,479	1,873,645	94,894	523	181,022	1,031	2,213,450	4,613,044

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