

Consolidated Income Statement

Year ended 31 December 2004

| | Notes | 2004 RMB'000 | 2003 RMB'000 |
|-------------------------------------|-------|-----------------|-----------------|
| Turnover | 4 | 217,706 | 227,517 |
| Cost of sales | | (151,455) | (158,995) |
| Gross profit | | 66,251 | 68,522 |
| Other income | 6 | 10,981 | 10,582 |
| Distribution costs | | (14,071) | (25,974) |
| Administrative expenses | | (28,018) | (27,742) |
| Other operating expenses | | (9,157) | (3,704) |
| Profit from operations | 7 | 25,986 | 21,684 |
| Finance costs | 8 | (5,197) | (3,306) |
| Profit before taxation | | 20,789 | 18,378 |
| Income tax expenses | 11 | (4,937) | (4,485) |
| Profit after taxation | | 15,852 | 13,893 |
| Minority interests | | (3,051) | (2,426) |
| Profit attributable to shareholders | | 12,801 | 11,467 |
| Dividend | 12 | – | – |
| Earnings per share | 13 | | |
| – Basic | | RMB0.032 | RMB0.029 |
| – Diluted | | Not applicable | Not applicable |