

CONSOLIDATED INCOME STATEMENT

For the year ended 30 June 2006

	Note	2006 RMB'000	2005 RMB'000
Turnover	4	115,581	187,965
Cost of sales		(107,172)	(158,931)
Gross profit		8,409	29,034
Other revenue	4	104	1,234
Other income		1,885	31
Distribution costs		(316)	(1,941)
Administrative expenses		(50,563)	(32,349)
Impairment loss on available-for-sale securities/investment in securities		(31,314)	(3,700)
Impairment loss on held-to-maturity securities		(150,704)	–
Other operating expenses		(15,325)	(376)
Finance costs	7	(9,690)	(7,940)
Loss from operations	6	(247,514)	(16,007)
Income tax	10	(6)	(3,098)
Loss attributable to equity shareholders	31	(247,520)	(19,105)
Loss per share			
Basic	12	(RMB70.72 cents)	(RMB5.46 cents)
Diluted	12	N/A	N/A

The notes on page 32 to 62 form part of these financial statements.