

Financial And Operating Highlights

LOSS FOR THE YEAR AND ITS ANALYSIS

(1) In accordance with PRC accounting standards

	2000 <i>RMB'000</i>
Profit for the year	3,576
Net income for the year	3,576
Profit excluding non recurring items for the year	2,251
Including:	
Principal operating profit	22,235
Income from other operations	691
Operating profit	1,555
Income from investments	540
Subsidy income	1,325
Net non-operating income	156
Net cash inflow from operating activities	12,934
Net increase in cash and cash equivalents	42,946

(2) In accordance with Hong Kong accounting standards

	<i>RMB'000</i>
Profit for the year	972
Including:	
Gross profit	22,235
Other income	7,650
Administrative expenses and distribution costs	(25,319)

Finance costs	(3,439)
Non-operating expenses	(155)

PRINCIPAL ACCOUNTING DATA AND FINANCIAL HIGHLIGHTS

(1) In accordance with PRC accounting standards

	<i>Unit</i>	Year ended 31st December				
		2000	1999	1998	1997	1996
Principal operating revenue	RMB'000	91,071	46,247	47,314	74,347	61,790
Income (Loss) for the year	RMB'000	3,576	(46,568)	(25,671)	1,195	2,086
Total assets	RMB'000	669,435	575,903	613,271	646,870	659,967
Shareholders' funds	RMB'000	509,337	505,761	552,329	578,000	576,805
Earnings (Loss) per share	RMB/share	0.015	(0.190)	(0.105)	0.005	0.009
Equity interest per share	RMB/share	2.08	2.06	2.25	2.36	2.35
Return on net assets	%	0.70	(9.21)	(4.65)	0.21	0.36
Adjusted equity interest per share	RMB/share	2.01	2.00	2.23	2.34	2.33
Net cash inflow (outflow) from operating activities per share	RMB/share	0.05	(0.04)	(0.07)	0.003	0.12

(2) In accordance with Hong Kong accounting standards

	<i>Unit</i>	Year ended 31st December				
		2000	1999	1998	1997	1996
Turnover	RMB'000	91,071	46,247	47,314	74,347	61,790
Profit (loss) for the year	RMB'000	972	(46,568)	(25,671)	1,195	2,086
Total assets	RMB'000	669,847	575,919	613,277	646,873	660,194
Total liabilities	RMB'000	163,114	70,158	60,948	68,873	83,389
Shareholders' funds	RMB'000	506,733	505,761	552,329	578,000	576,805
Earnings (loss) per share	RMB /share	0.004	(0.190)	(0.105)	0.005	0.009
Equity interest per share	RMB/share	2.07	2.06	2.25	2.36	2.35
Return on net assets	%	0.19	(9.21)	(4.65)	0.21	0.36

MOVEMENTS IN SHAREHOLDERS' EQUITY

(1) In accordance with PRC accounting standards

Item	Share capital <i>RMB'000</i>	Capital surplus <i>RMB'000</i>	Surplus reserve <i>RMB'000</i>	Included: Statutory public welfare fund <i>RMB'000</i>	Deficit <i>RMB'000</i>	Total <i>RMB'000</i>
At 1st January, 2000	245,007	305,280	16,813	8,406	(61,339)	505,761
Profit for the year	-	-	-	-	3,576	3,576
At 31st December, 2000	245,007	305,280	16,813	8,406	(57,763)	509,337

(ii) In accordance with Hong Kong accounting standards

Item	Share capital <i>RMB'000</i>	Share premium <i>RMB'000</i>	Capital reserve <i>RMB'000</i>	Statutory surplus reserve <i>RMB'000</i>	Statutory public welfare fund <i>RMB'000</i>	(Deficit) retained profits <i>RMB'000</i>	Total <i>RMB'000</i>
At 1st January, 1999	245,007	293,745	10,225	8,406	8,406	(13,460)	552,329
Loss for the year	-	-	-	-	-	(46,568)	(46,568)
At 31st December 1999	245,007	293,745	10,225	8,406	8,406	(60,028)	505,761
Profit the year	-	-	-	-	-	972	972
At 31st December, 2000	245,007	293,745	10,225	8,406	8,406	(59,056)	506,733

- (iii) **Supplemental Information disclosed according to disclosure requirement set out in Issue No. 9 of "The Content and Format of Disclosure of Information by Listed Companies" issued by China Securities Supervision and Administration Committee.**

Profit for the reporting period	Return on net assts		Earnings per share	
	overall	weighted	overall	weighted
	dilution	average	dilution	average
	<i>RMB</i>	<i>RMB</i>	<i>RMB</i>	<i>RMB</i>
Principal operating profit	0.044	0.044	0.091	0.091
Operating profit	0.003	0.003	0.006	0.006
Net income	0.007	0.007	0.015	0.015
Net income after deducting non-recurring items	0.004	0.004	0.009	0.009

Overall dilution on return on net assets and overall dilution on earnings per share are calculated as follows:-

Overall dilution on return on net assets = profit for the reporting period/net assets as end of the period.

Overall dilution on earnings per share = profit for the reporting period/total number of shares at end of te period.

Weighted average on return on net assets (ROE) is calculated as follows:-

$$ROE = \frac{P}{E_o + NP * 2 + E_i \times M_i * M_o - E_j \times M_j * M_o}$$

Note: P represents profit for the reporting period, NP represents net profit for the reporting period, E_o represents net assets at beginning of the period, E_i represents net increase in net assets by issuing new shares, E_j represents decrease in net assets by purchasing own shares or declaring dividends, M_o represents number of months for the reporting period, M_i represents the period from next month of the month of the increase in net assets to end of the reporting period and M_j represents the period from next month of the month of the decrease in net assets to end of the reporting period.

Weighted average on earnings per share (EPS) is calculated as follows:-

$$\text{EPS} = \frac{P}{S_0 + S_1 + S_i \times M_i \div M_0 - S_j \times M_j \div M_0}$$

Note: P represents profit for the reporting period, S₀ represents number of shares at beginning of the period, S₁ represents the increase in number of shares by transferring from statutory surplus reserve or by issuing bonus shares, S_i represents the increase in shares by issuing new shares, S_j represents the decrease in number of shares by purchasing shares or reduction on share capital, M₀ represents number of months for the reporting period, M_i represents the period from next month of the month of the increase in number of shares to end of the reporting period and M_j represents the period from next month of the month of the decrease in number of shares to end of the reporting period.