

Summary of accounting and business data

(I) Realized profit of the Company in the year and its breakdown

The realized profit of the Company and its subsidiaries (collectively the “Group”) in the year and its breakdown are as follows:

1. Prepared under PRC Accounting Standards

	<i>RMB'000</i>
Total profit (loss)	11,325
Net profit (loss)	8,978
Net profit (loss) after exclusion of exceptional items (<i>Note</i>)	9,033
Profit from principal operations	90,319
Profit from other operations	12,966
Profit (loss) from operations	(45,435)
Investment income	(8,733)
Subsidy income	48,082
Net non-operating results	(54)
Net cash flow from operating activities	333,833
Net increase(decrease) of cash and cash equivalent	98,192

Note: The nature and amount of exceptional items are as follows:

Non-operating income:	RMB854,000
Non-operating expenditure:	RMB909,000

2. Prepared under accounting principles generally accepted in Hong Kong

	<i>RMB'000</i>
Loss before taxation	2,651
Loss attributable to shareholders	5,160

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(II) Major accounting data and financial indicators of last five years

1. Prepared under PRC accounting standards

The results, assets and liabilities of the Group of the last five years are as follows:

(Unit: RMB'000)

	2001	2000	1999	1998	1997
Principal operating income	2,076,603	2,222,270	2,281,357	1,865,084	1,682,175
Total profit (loss)	11,325	(729,783)	19,350	30,069	49,006
Net profit (loss)	8,978	(739,770)	1,101	19,032	40,495
Total assets	2,510,263	2,396,910	3,466,470	3,357,982	3,171,182
Total liabilities	1,830,445	1,732,594	2,057,312	1,955,226	1,791,488
Shareholders' equity					
(excluding minority interests)	617,730	608,663	1,351,865	1,350,414	1,340,749
Earnings (loss) per share (RMB)					
(Number of shares in issue at the end of year)	0.018	(1.4955)	0.0022	0.0385	0.0819
Earnings (loss) per share (RMB)					
(Weighted average number of shares in issue)	0.018	(1.4955)	0.0022	0.0385	0.0819
Net assets per share (RMB)					
(Number of shares in issue at the end of year)	1.25	1.2304	2.73	2.73	2.71
Adjusted net assets per share (RMB)(Number of shares in issue at the end of year)	1.24	1.12	2.69	2.69	2.66
Net cash flow from operating activities per share (Number of shares in issue at the end of the year)	0.6748	0.0483	0.0381	(0.375)	—
Return (loss) on net assets (%)					
(Shareholders' equity at the end of year)	1.45	(121.55)	0.0814	1.41	3.02
Return (loss) on net assets (%)					
(Average of shareholders' equity at the beginning and the end of year)	1.46	(75.4664)	0.0815	1.41	3.04
Return (loss) on net assets after deduction of exceptional items(%)					
(Average of shareholders' equity at the beginning and the end of year)	1.47	1.82	6.93	1.41	3.04
Ratio of shareholders' equity (%)					
(Shareholders' equity/ Total assets' 100%)	24.61	25.39	39.00	40.22	42.28
Current Ratio (Current assets/ Current liabilities)	0.96	0.85	1.38	1.39	1.36

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2. Prepared under accounting principles generally accepted in Hong Kong

The results, assets and liabilities of the Group for the last five years are as follows:

(Unit: RMB'000)

	2001	2000	1999	1998	1997
Turnover	2,076,603	2,222,270	2,281,357	1,865,084	1,682,175
Operating profit/(loss)	47,002	(311,052)	178,412	29,734	47,240
(Loss)/profit before taxation	(2,651)	(721,762)	18,657	30,171	48,189
(Loss)/profit attributable to shareholders	(5,160)	(728,710)	956	19,032	39,678
Total assets	2,654,227	2,761,104	3,469,099	3,268,848	3,073,105
Total liabilities	1,974,145	2,082,887	2,059,942	1,866,093	1,693,411
Total shareholders' equity (excluding minority interests)	617,994	623,154	1,351,864	1,350,414	1,340,748
(Loss)/earnings per share (RMB)					
(Number of shares in issue at the end of the year)	(0.0104)	(1.4731)	0.0019	0.0385	0.0802
(Loss)/earnings per share (RMB) (Weighted average number of shares in issue)	(0.0104)	(1.4731)	0.0019	0.0385	0.0802
Net assets per share (RMB)					
(Number of shares in issue at the end of the year)	1.25	1.26	2.73	2.73	2.71
Return on net assets (%)					
(Shareholders' equity at the end of the year)	(0.83)	(116.94)	0.07	1.41	2.96
Return on net assets (%) (Average of shareholders' equity at the beginning and the end of year)	(0.83)	(73.79)	0.07	1.41	2.98
Ratio of shareholders' equity (%)					
(Shareholders' equity/ Total assets x 100%)	23.28	22.57	38.97	41.31	43.63
Current ratio(Current assets/ Current liabilities)	0.92	0.82	1.22	1.30	1.18
Gearing ratio (%)	74.38	75.44	59.40	57.09	55.10

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Notes:

- (1) Methods for calculating earnings (loss) per share, net assets per share, return on net assets, and gearing ratio are as follows:

- 1) Based on balances at the end of the year:

Earnings (loss) per share = net profit (loss)/total number of ordinary shares at the end of the year

Net assets per share = shareholders' equity at the end of the year/total number of ordinary shares at the end of the year

Return on net assets = net profit (loss)/shareholders' equity at the end of the year x 100%

Gearing ratio = total liabilities/total assets x 100%.

- 2) Based on weighted average balances

Earnings (loss) per share = net profit (loss)/weighted monthly average number of shares for the year

Return on net assets = net profit (loss)/[(shareholders' equity at the beginning of the year + shareholders' equity at the end of the year)/2] x 100%.

- (2) The above major accounting data and financial indicators for 1997 prepared under PRC accounting standards have been adjusted in accordance with the new provisions of the accounting regulations for joint stock limited companies issued in 1998.

- (3) The difference in this year's net profit and loss attributable to shareholders calculated on the basis of the PRC accounting standards and the accounting principles generally accepted in Hong Kong respectively is as follow:

	Amount (RMB'000)
Net profit (under PRC accounting standards)	8,978

Reconciling items

- Pre-operating expenses fully written off	(676)
- Realised gain on minority interest portion from inter-company transaction	502
- Tax incentive items	88
- Loss on fixed assets	(13,900)
- Profit and loss items directly recorded in retained earnings brought forward	(152)
Loss attributable to shareholders (under accounting principles generally accepted in Hong Kong)	(5,160)

(III) Supplementary profit statement prepared pursuant to "Regulations on Disclosure Information by Companies with Listed Securities (No.9)" promulgated by China Securities Regulatory Committee.

Profit (loss) during the period Under review	Return on net assets ratio (%)		Earnings (loss) per share (RMB)	
	Fully diluted	Weighted average	Fully diluted	Weighted average
Profit from principal operations	14.62	14.73	0.18	0.18
Profit (loss) from operations	(7.36)	(7.41)	(0.09)	(0.09)
Net profit (loss)	1.45	1.46	0.02	0.02
Net profit (loss) after deduction of Exceptional items	1.46	1.47	0.02	0.02

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Methods for calculating fully diluted return on net assets ratio and fully diluted earnings (loss) per share are as follows:

Fully diluted return on net assets ratio = Profit (loss) during the period under review ÷ Net assets at period end x 100%

Fully diluted earnings (loss) per share = Profit (loss) during the period under review ÷ Total number of ordinary shares at period end

Method for calculating the weighted average return on net assets ratio and the weighted average income (loss) per share is as follows:

Weighted average return on net assets ratio = the profit (loss) during the period under review ÷ [(net assets at beginning of the period + net assets at closing of the period) ÷ 2] x 100%

Weighted average income (loss) per share = profit (loss) during the period under review ÷ [(total number of shares at the beginning of the period + total number of shares at the closing of the period) ÷ 2]

(IV) Change of shareholders' equity during the period under review

(RMB'000)

Item	Capital	Capital Reserve	Surplus reserve fund	Statutory- public welfare fund	Retained profit (accumulated loss)	Total of Shareholders' equity
Retained profit (accumulated loss)						
Total of Shareholders' equity						
Opening balance	494,678	651,977	100,060	32,186	(638,051)	608,663
Additions	–	–	88	–	8,978	9,066
Deductions	–	–	–	714	–	–
Closing balance	494,678	651,977	100,148	31,742	(629,073)	617,729

Cause of change:

The addition of retained profit is due to the addition of retained profit of this year. The deduction of statutory public welfare fund is due to the purchase of the medical equipment for staff of the Company in reserve fund in this year.

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(V) Principal activities summary

The turnover (note 1) and the results from the principal activities of the Group during the year under review are as follows:

Principal activities	Year ended 31st December, 2001			Year ended 31st December, 2000		
	Turnover		Gross profit (loss) before taxation	Turnover		Gross profit (loss) before taxation
	RMB'000	Percentage(%)	RMB'000	RMB'000	Percentage(%)	RMB'000
Shipbuilding	1,407,794	67.79	32,452	1,490,201	67.06	52,623
Container manufacturing	333,600	16.06	14,949	520,549	23.42	32,298
Shiprepairing	23,479	1.13	3,059	21,064	0.95	2,086
Steel structure	68,473	3.30	10,741	76,902	3.46	(216)
Mechanical electrical equipment and others	243,257	11.72	31,343	113,554	5.11	24,150
	2,076,603	100	92,544	2,222,270	100	110,941
Other activities profit			12,966			4,747
Provision for inventories						
Realization			326,405			
Operating expenses (note 2)			148,721			528,346
Business tax and surcharge			2,225			6,613
Investment income			8,733			1,133
Subsidy income			48,082			65,010
Net non-operating income/expenses			(54)			(50,249)
Total profit (loss) (under PRC accounting standards)			11,325			(729,782)
Reconciling items						
– Separate disclosure of share of associated companies' taxation			98			(59)
– Realised gain on minority interest portion from inter-company transaction			502			–
– Staff welfare fund appropriation			–			(231)
– Adjustments of previous years' results			–			8,310
– Tax incentive items			88			–
– Pre-operating expenses fully written off			(676)			–
Loss on fixed assets			(13,900)			–
Loss before taxation (under accounting principles generally accepted in Hong Kong)			(2,651)			(721,762)

Notes:

1. The definition of turnover, which represents the income from principal operations prepared under PRC accounting standards and the turnover prepared under Hong Kong generally accepted accounting principles generally accepted in Hong Kong, is set out in note 16 on page 49 and note 1(d) on page 83 to the Financial Statements respectively.
2. Operating expenses, including selling, administrative and financial expenses, represent non-distinctive amounts incurred in the various principal activities. As operating expenses incurred did not have a direct correlation with the respective activities, it is impracticable to analyze these expenses by activities.