

Financial Summary

	Year ended 31st December,				
	1998 RMB'000	1999 RMB'000	2000 RMB'000	2001 RMB'000	2002 RMB'000
Turnover	190,757	211,828	325,614	474,203	520,179
Cost of sales	(91,311)	(86,523)	(145,866)	(221,736)	(266,867)
Gross profit	99,446	125,305	179,748	252,467	253,312
Other operating income	201	886	8,881	11,742	19,398
Distribution costs	(19,599)	(28,454)	(61,582)	(100,443)	(85,838)
Administrative expenses	(10,729)	(20,236)	(30,541)	(38,596)	(42,873)
Other operating expenses	–	–	–	(8,505)	–
Profit from operations	69,319	77,501	96,506	116,665	143,999
Finance costs	(1,742)	(3,782)	(8,551)	(14,291)	(17,900)
Loss on deemed disposal of a partial interest in a subsidiary	–	–	–	–	(196)
Profit before taxation	67,577	73,719	87,955	102,374	125,903
Taxation (charge) credit	(2,314)	(5,908)	(7,607)	4,683	(2,832)
Profit before taxation	65,263	67,811	80,348	107,057	123,071
Minority interests	–	–	360	1,064	(3,431)
Net profit for the year	65,263	67,811	80,708	108,121	119,640
Dividends	22,770	27,117	27,194	29,526	30,499
Earnings per share					
– Basic	23.97 cents	23.81 cents	22.23 cents	29.78 cents	31.58 cents
– Diluted	N/A	N/A	N/A	29.77 cents	31.54 cents

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	At 31st December,			
	1999 RMB'000	2000 RMB'000	2001 RMB'000	2002 RMB'000
ASSETS AND LIABILITIES				
Total assets	465,631	618,362	787,017	1,144,618
Total liabilities	(168,502)	(266,153)	(355,372)	(472,474)
Minority interests	–	(1,416)	(1,672)	(45,786)
Shareholders' funds	<u>297,129</u>	<u>350,793</u>	<u>429,973</u>	<u>626,358</u>

Notes:

1. The Company was incorporated in Bermuda on 13th May, 1999 and became the holding company of the Group with effect from 26th October, 1999 as a result of the group reorganisation described in Appendix VI of the Company's prospectus dated 30th October, 1999 (the "Group Reorganisation"). The financial position of the Group as at 31st December, 2002 and 31st December, 2001 has been extracted from the audited consolidated balance sheet set out on page 23. The financial position of 31st December, 2000 had been extracted from the consolidated balance sheet contained in 2000 annual report. The financial position of the Group as at 31st December 1999 and 31st December, 1998 had been extracted from the combined balance sheet contained in the 1999 annual report.
2. The results of the Group for each of the two years ended 31st December, 2002 and 2001 have been extracted from the audited consolidated income statement as set out on page 22.
3. The results of the Group for the years ended 31st December, 2000 and 31st December, 1999 have been extracted from the audited consolidated income statement and in the 2000 annual report and 1999 annual report, respectively.
4. The results of the Group for the year ended 31st December, 1998 have been prepared on a combined basis to indicate the results of the Group pursuant to the Group Reorganisation and have been extracted from the Company's prospectus dated 30th October, 1999.
5. The calculation of the basic earnings per share for the year ended 31st December, 1998 is based on the profit for the year and on 272,310,000 shares that would have been in issue during that year on the assumption that the Group Reorganisation had been effective on 1st January, 1997.
6. Diluted earnings per share have not been presented for each of the years ended 31st December, 1998, 1999 and 2000 because there were no dilutive potential ordinary shares in issue during these years.