

# FINANCIAL AND OPERATING HIGHLIGHTS

## 1. Principal Accounting Data and Financial Highlights

- (1) In accordance with accounting principals generally accepted in the People's Republic of China (the "PRC") ("PRC GAAP")

ITEMS	Unit: RMB'000
	Amount
Profit for the year	101,225
Net profit for the year	78,153
Profit excluding non-recurring items for the year	74,860
Principal operating profit	228,155
Other operating profit	3,619
Profit from operations	104,777
Investment income	(587)
Subsidy income	5,485
Non-operating net income	(8,450)
Net cash flow from operating activities	100,325
Increase in cash and cash equivalents	(14,219)

- (2) In accordance with accounting principals generally accepted in Hong Kong ("HK GAAP")

ITEMS	Unit: RMB'000
	Amount
Profit for the year	90,484
Net profit for the year	82,481
Operating income	233,895
Other operating income	13,814
Administrative expenses and distribution costs	116,755
Financial costs	5,003

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## 2. Difference between PRC GAAP and HK GAAP as applicable to the group

Unit: RMB'000

ITEMS	Net Profit (loss) for the year ended		Shareholder's equity	
	31st December, 2006	2005	At the beginning of the year	At the end of the year
Consolidated results in accordance with PRC GAAP	78,153	18,321	531,994	610,752
Adjustments made in accordance with the HK GAAP				
Add: Gain on restructuring	–	–	(3,219)	(3,018)
Add: Donation	–	34	–	–
Add: Amortization of deferred income	201	201	–	5,237
Add: Amortization of goodwill	(957)	2,243	2,243	682
Less: Gain on sale of land use right	–	9,714	–	–
Add: Adjustment value-added tax of land	5,238	–	–	–
Add: Accrual rebate for profits tax of a subsidiary	–	189	339	339
Add: Gain on investment in subsidiaries	(154)	(273)	(8,216)	(8,370)
Consolidated results in accordance with HK GAAP	82,481	11,001	523,141	605,622

## 3. Non-Recurring items for the year

Unit: RMB'000

Non-recurring items for the year	Amount
Loss on disposal fixed assets	(1,928)
Written back on various provision for diminution in previous years	8,709
Government grants	2,897
Profit (loss) from short-term investment	106
Other non-operating net income	(6,522)
Impact on profits tax	32
Total	3,294

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## 4. Principal Accounting Data and Financial Highlights for the latest 5 Years

### (1) In accordance with the PRC GAAP

Unit: RMB

ITEMS	Year 2006	Year 2005	Increase/ Decrease (%)	Year 2004	Year 2003	Year 2002
Revenue ('000)	848,419	672,643	26.13	469,436	330,613	179,628
Operating profit (loss) ('000)	101,225	38,354	163.92	(9,709)	19,608	7,734
Net profit (loss) ('000)	78,153	18,321	326.58	(17,081)	15,063	6,078
Net profit after deduction of non-recurring items ('000)	74,860	15,998	367.93	7,573	7,620	3,710
Earnings per share (dollar)	0.32	0.07	357.14	(0.0697)	0.0610	0.025
Latest earnings per share (dollar)	0.28					
Return on net assets (%)	12.80%	3.44%	9.36	(3.38)	2.89	1.2
Return on net assets after deduction of non-recurring items (%)	12.26%	3.01%	9.25	1.50	1.46	0.73
Net cash flow from operating activities ('000)	100,325	61,718	62.55	107,196	93,983	(4,481)
Net cash flow from operating activities per share (dollar)	0.41	0.25	64.00	0.44	0.38	(0.018)
	As at 31st December, 2006	As at 31st December, 2005	Increase/ Decrease (%)	As at 31st December, 2004	As at 31st December, 2003	As at 31st December, 2002
Total assets ('000)	1,181,895	1,079,184	9.52	1,125,840	965,803	839,469
Shareholders' equity (excluding minority interest) (('000))	610,752	531,994	14.80	504,771	521,841	506,778
Net assets per share (dollar)	2.49	2.17	14.75	2.06	2.13	2.07
Net assets per share after adjustment	2.49	2.17	14.75	2.06	2.12	2.06

### (2) In accordance with HK GAAP

Unit: RMB

	Year 2006	Year 2005	Year 2004	Year 2003	Year 2002
Revenue ('000)	848,048	672,643	469,436	330,613	179,628
Net profit ('000)	82,481	11,001	(17,586)	15,324	6,726
Total assets ('000)	1,164,765	1,070,597	1,123,305	966,048	835,039
Total liabilities ('000)	492,085	488,358	561,467	385,931	307,999
Equity attributable to equity holders of the patent ('000)	605,622	523,141	512,140	529,726	514,402
Earnings per share (cent)	33.7	4.5	(7.2)	6.25	2.75
Net assets per share (dollar)	2.47	2.14	2.09	2.16	2.10
Return on net assets (%)	13.62	2.10	(3.45)	2.89	1.31
Net assets per share after adjustment (dollar)	2.47	2.14	2.09	2.14	2.10
Net cash flow from operating activities per share (dollar)	0.28	0.42	0.47	0.36	0.51

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## 5. Supplemental Information Disclosed According To Disclosure Requirement Set Out in Issue No.9 of "The Content and Format of Disclosure Information by Listed Companies" Issued By China Securities Supervision and Administrative Committee

*Unit: RMB'000*

Profit for the reporting period	Return on net assets (%)		Earnings per share (dollar)	
	Full Dilutive	Weighted average	Full Dilutive	Weighted average
Principal operating profit	37.36	39.95	0.93	0.93
Profit from operation	17.16	18.35	0.43	0.43
Net profit for the year	12.80	13.69	0.32	0.32
Net profit excluding non-recurring items for the year	12.26	13.11	0.31	0.31

## 6. Movement in Shareholders' Equity

### (1) In accordance with the PRC GAAP

*Unit: RMB'000*

Items	Share capital	Capital surplus	Surplus reserve	Accumulated profit (loss)	Shareholders' equity
As at 1st January, 2006	245,007	314,194	16,813	(44,020)	531,994
Increase for the year	–	605	3,485	78,153	82,243
Decrease for the year	–	–	–	3,485	3,485
As at 31st December, 2006	245,007	314,799	20,298	30,648	610,752

### (2) In accordance with the HK GAAP

*Unit: RMB'000*

Items	Share capital	Share premium	Capital reserve	Statutory surplus reserve	Statutory public welfare fund	Accumulated profit (loss)	Shareholders' equity
At 1st January, 2006	245,007	293,745	10,225	9,292	8,561	(43,689)	523,141
Profit for the year and total recognised income for the year	–	–	–	–	–	82,481	82,481
Transfers	–	–	–	8,561	(8,561)	–	–
Appropriation	–	–	–	3,485	–	(3,485)	–
At 31st December, 2006	245,007	293,745	10,225	21,338	–	35,307	605,622