

## Consolidated Income Statement

For the year ended 31 December 2005  
(All amounts in Renminbi Thousand Yuan unless otherwise stated)

|   | Note | 2005             | 2004      |
|---|------|------------------|-----------|
| Turnover  |      | <b>981,650</b>   | 965,972   |
| Cost of goods sold  | 21   | <b>(825,541)</b> | (810,959) |
| <b>Gross profit</b>   |      | <b>156,109</b>   | 155,013   |
| Other losses — net  | 20   | <b>(1,843)</b>   | —         |
| Selling and marketing costs   | 21   | <b>(28,461)</b>  | (24,322)  |
| Administrative expenses   | 21   | <b>(40,909)</b>  | (30,691)  |
| Other income  | 23   | <b>14,790</b>    | 5,243     |
| <b>Operating profit</b>   |      | <b>99,686</b>    | 105,243   |
| Finance costs   | 24   | <b>(5,628)</b>   | (3,979)   |
| Share of losses of associates   | 9    | <b>(2,418)</b>   | (1,373)   |
| <b>Profit before income tax</b>   |      | <b>91,640</b>    | 99,891    |
| Income tax expenses   | 25   | <b>(11,513)</b>  | (12,590)  |
| <b>Profit for the year</b>  |      | <b>80,127</b>    | 87,301    |
| <b>Attributable to:</b>   |      |                  |           |
| Shareholders of the Company   |      | <b>78,603</b>    | 86,225    |
| Minority interests  |      | <b>1,524</b>     | 1,076     |
|   |      | <b>80,127</b>    | 87,301    |
| <b>Basic earnings per share for profit attributable to the shareholders of the Company during the year</b> (expressed in RMB per share) | 26   | <b>0.181</b>     | 0.237     |
| <b>Dividends</b>  | 27   | <b>31,460</b>    | 92,275    |

The notes on pages 50 to 93 are an integral part of these consolidated financial statements.