



# **PETROTECH**

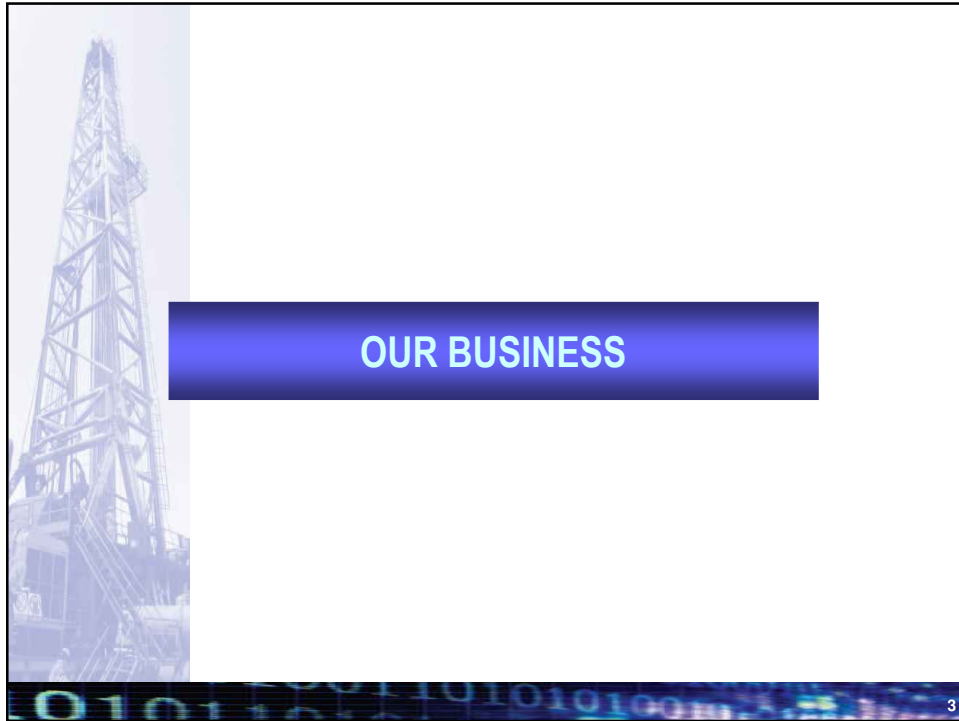
**China Petrotech Holdings Limited**

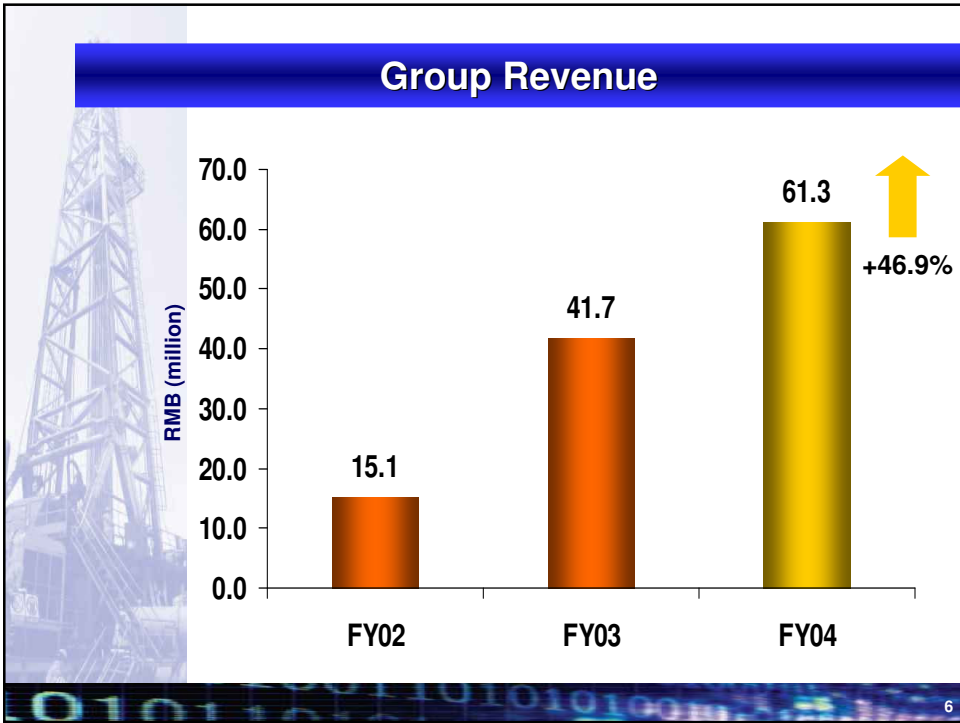
**FY04 Results Presentation**

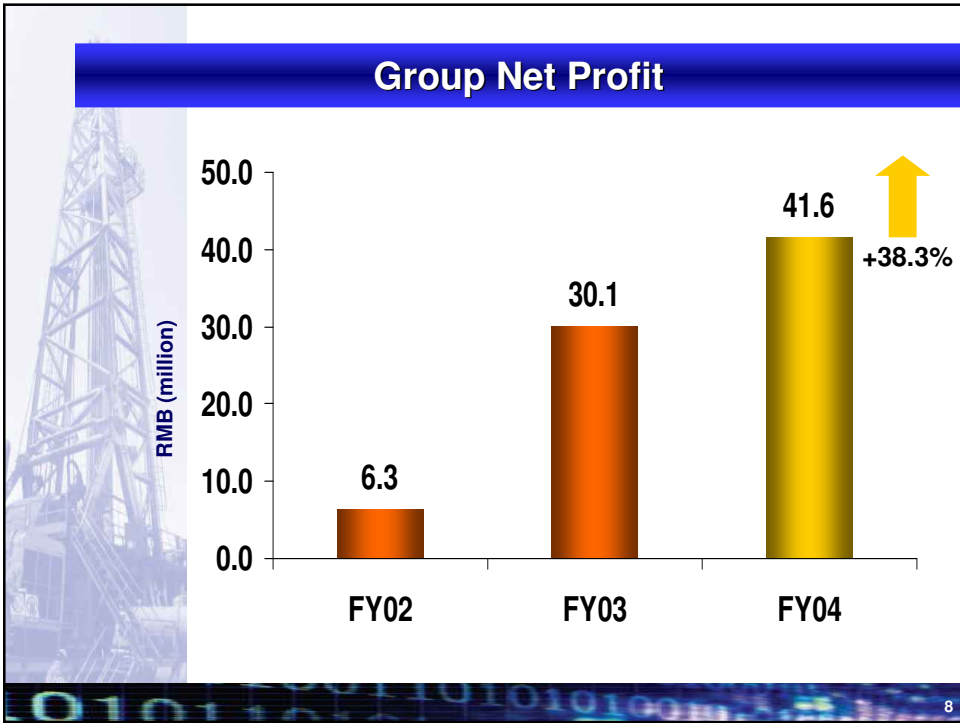
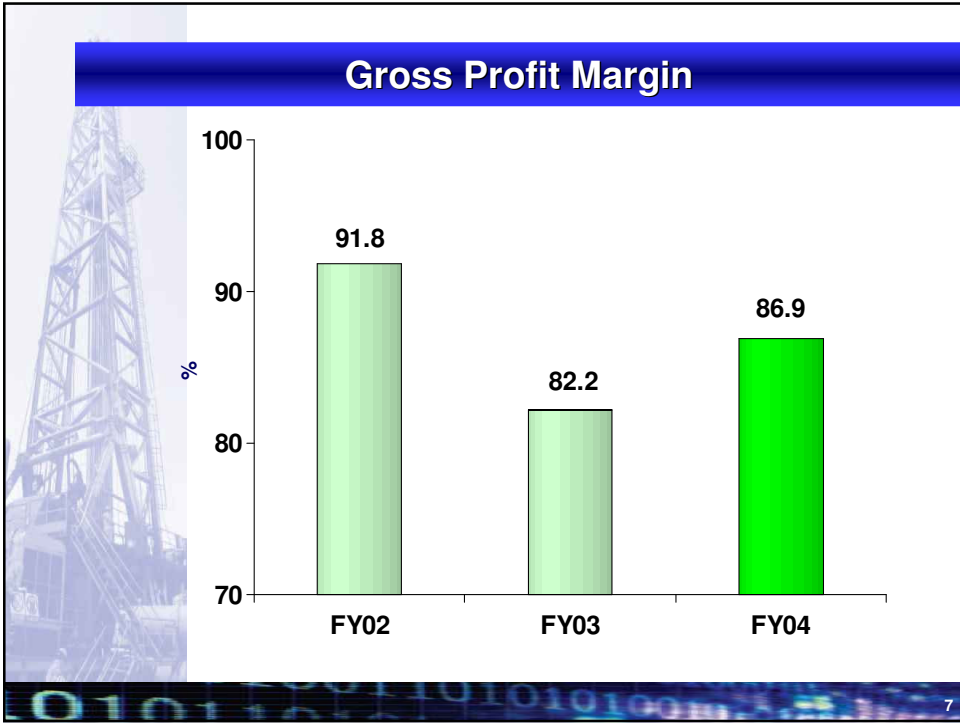


## **Presentation Outline**

- **Our Business**
- **FY04 Results Review**
- **Recent Developments**
- **Summary**
- **Q&A**







## P&L Highlights

	FY04 RMB'm	FY03 RMB'm	Change %
Turnover	61.3	41.7	46.9
Gross Profit	53.3	34.3	55.2
Other Income	7.1	4.7	50.3
Other Operating Expenses	(18.8)	(8.9)	112.2
Profit Before Tax	41.6	30.1	38.3
Profit After Tax	41.6	30.1	38.3
Basic Earnings Per Share (RMB cents)	18.6	15.4	21.1

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## Balance Sheet Highlights

	Dec 04 RMB m	Dec 03 RMB m	Change %
Fixed Assets	1.3	0.7	85.7
Intangible Assets	17.8	3.2	456.3
Cash & Cash Equivalent	131.7	37.4	253.1
Other Current Assets	12.5	22.1	(43.6)
Total Assets	163.3	63.4	157.7
Deferred Liabilities	0.0	10.3	NM
Current Liabilities	7.4	8.3	(10.8)
Shareholders' Funds	155.9	44.8	248.0
Total Capital	163.3	63.4	157.7
NAV per share (Rmb)	63.7 cts	22.9 cts	

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## Cash Flow

	FY04	FY03	Change %
	RMB m	RMB m	
Net Cash from Operation	55.7	29.6	88.1
Net Cash for Investment	(31.4)	(2.4)	1193.8
Net Cash from financing	70.1	7.7	803.2
Net Cash Increase	94.3	34.9	170.6

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## RECENT DEVELOPMENTS & FUTURE PLANS

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## Recent Developments

- Completed 16 new software products
- Sinopec Group adopts well logging data organisation system as standard operating software
- Sale of specialized equipment such as NMR spectrometers

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## Recent Developments

- Gaining recognition from China Central government; RMB 3 m grant to develop an IT application platform for oil exploration geology
- New senior management hires for software development, technical and product marketing

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## Acceptance of IT Solutions

- All the oil major groups in China have implemented China Petrotech's well logging data organisation system as the standard operating software
- NMR and XRF applications are gaining recognition and acceptance
- Working with major customers on advanced technological solutions such as vertical seismic survey, inter-well imaging and directional drilling

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## Acquisition Of Shaanxi Long Top Tech

- Proposed acquisition of 70% stake in Shaanxi Long Top Technology Co, Ltd (SLTT)
- Company specializes in ERP and business management software for the oil and gas industry in China
- Customers are mainly concentrated in the Northwest part of China.
- China Petrotech to leverage on extensive sales network to market SLTT's products and services
- Acquisition to complete in early March 2005

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## Long Top Tech - Financials

<u>P&amp;L</u>	FY04	FY03
	RMB m	RMB m
Turnover	8.1	2.4
Gross Profit	6.4	0.8
Pretax Profit	5.7	0.4
Net Profit	5.7	0.4

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## Future Plan

- Explore oil and gas development and production opportunities in China and Southeast Asia
- Explore manufacturing of NMR spectrometers
- Expand sales network and promote use of our new software products and advanced technological solutions
- Leverage on extensive sales network to market Long Top's products and services
- Complete joint R&D centre with Xi'an government and leading universities

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