



**China Petrotech Holdings Limited**

## **Press Release**

# **China Petrotech 3Q04 Net Profit Rose To RMB14.3 Million**

- Revenue increased to RMB18.7 million for 3Q04
- EPS increased to RMB5.85 cents from loss of RMB0.52 cent
- Expects 4Q04 to maintain if not better than 3Q04

**SINGAPORE, 9 November 2004** – Singapore Exchange (“SGX”) listed **China Petrotech Holdings Limited (“China Petrotech”)**, a leading provider of technical solutions to China’s Oil & Gas industry, announced today its Group net profit attributable to shareholders increased to RMB14.3 million for the quarter ended 30 September 2004 (“3Q04”) from loss of RMB1.0 million in the previous corresponding period.

The Group revenue increased RMB18.7 million in 3Q04 from RMB303,000, driven mainly by strong acceptance and growing adoption of its IT solutions. In addition, software upgrades (which has become a regular feature since last reporting quarter) and customized software contributed about 10% and 13% respectively to the Group revenue for the period under review.

Basic Earnings Per Share (“EPS”) increased to RMB5.85 cents in 3Q04 from loss of RMB0.52 cent in 3Q03. Net Asset Value (“NAV”) per share as at 30 September 2004 was RMB58.36 cents, up from RMB22.91 cents as at 31 December 2003.

For the nine months ended 30 September 2004 (“9M04”), the oil and gas industry technical solution provider registered net profit increase to RMB28.0 million from loss of RMB838,000 in 9M03 whilst revenue increased to RMB39.8 million from RMB3.6 million in the same period in 2003.

China Petrotech's Executive Chairman, Mr William Chan, said: "Both revenue and net profit displayed multi-fold increases from 3Q03, but it is important to note that we had recorded a very substantial part of the revenue in FY03 in 4Q03 due to the timing of receipts of product acceptance reports from our customers. FY03 was also the first year we had the mass adoption of a standard IT solution by a major group of customers in accordance to a joint directive from their parent companies. We expect less of such quarterly 'distortions' as our business matures."

The Group has completed another five new software products recently. Two of these new products will be sold along with the specialized equipment distributed by China Petrotech. Used in conjunction with the equipment, the application software facilitates onsite analysis of geophysical and mineral composition of the underground rock fragments. The other three products are application software designed for well development. The Group is in the process of registering the products with the relevant authorities.

"Sales of specialized equipment are progressing well and we will soon introduce more specialized equipment, consulting and technical support services as that will compliment the capabilities of our IT solutions, and broaden our product offering," added Mr Chan.

Commenting on the prospects, Mr Chan said: "The demand for IT solutions and specialized equipment for data collection and analysis in the China oil and gas industry continues to be strong. We can expect some of our new software products to start contributing to revenue from 4Q04. We can also expect to register revenue from sales of specialized equipment in 4Q04."

The Group expects the financial performance in 3Q04 to maintain if not sequentially better than 3Q04 and FY04 to be better than FY03.

China Petrotech was listed on the Main Board of the SGX on 9 June 2004, raising net proceeds of RMB69.5 million (S\$14.8 million) to be used to fund the expansion of research and development capabilities, including the establishment of a research and development centre and to fund the production of specialised equipment.

*~ End of release ~*

---

**Issued on behalf of China Petrotech Holdings Limited by WeR1  
Consultants Pte Ltd**

**Media Contact**

**WeR1 Consultants Pte Ltd**

29 Scotts Road

Singapore 228224

Tel: (65) 6737 4844, Fax: (65) 6737 4944

Tan Chin Lee, tancl@wer1.net, or Lui Weng Kay, luiwk@wer1.net, hp:  
(65) 9846 8768

**China Petrotech Holdings Limited**

The 2F, District C,

Software Park, High-Tech Development Zone

Xi'an, China

Tel: (86) 29 8766 9631, Fax: (86) 29 8766 9637

Or

Tel: (65) 6737 4844, Fax: (65) 6737 4944

Ho Hin Dong, info@china-petrotech.com

**About China Petrotech Holdings Limited**

Established in 2001 by a group of experienced geologists and research engineers from the oil and gas majors, China Petrotech Holdings Limited ("China Petrotech") is a provider of technological solutions, specialised equipment and services for the upstream activities of the PRC oil and gas industry, with a focus on the exploration (onshore and offshore), development and production of oil and gas. The Group's IT solutions and services include the design and development of standardised software solutions, software customisation, and customers' support services such as maintenance and upgrading services.

Major customers of the Group include leading oil and gas companies in the PRC, such as the subsidiaries, branches and associated companies of the PetroChina Group, the Sinopec Group and the CNOOC Group.

China Petrotech was listed on the Singapore Exchange on 9 June 2004.

For six-months ended 30 June 2004, China Petrotech registered net profit of RMB13.7 million on the back of turnover of RMB21.1 million.

For more information, please visit: [www.china-petrotech.com](http://www.china-petrotech.com)