

## Balance Sheets

AS AT 31ST DECEMBER 2000

(Prepared under PRC Accounting Regulations)

	Notes	Group		Company	
		2000 <i>New Business</i> (note 1) Rmb'000	1999 <i>Chemical Business</i> (note 1) Rmb'000	2000 <i>New Business</i> (note 1) Rmb'000	1999 <i>Chemical Business</i> (note 1) Rmb'000
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and bank balances	4	51,839	200,120	51,839	5,632
Short term investments		—	9,948	—	—
Bills receivable		—	56,263	—	—
Accounts receivable	5	11,890	762,351	11,890	—
Other receivables		433	355,386	433	42,625
Less: Provision for bad debts		—	(219,767)	—	—
Net accounts receivables and other receivables		12,323	897,970	12,323	42,625
Short-term loans receivables		—	372,418	—	279,709
Less: Provision for bad debts		—	(32,397)	—	(10,875)
Net short-term loans receivable		—	340,021	—	268,834
Prepayment to suppliers		164	159,501	164	3,433
Deferred expenses		—	6,183	—	247
Inventories	6	2,854	357,142	2,854	—
Less: Provision for losses on realisation of inventories		—	(13,285)	—	—
Inventories - net book value		2,854	343,857	2,854	—
<b>Total current assets</b>		<b>67,180</b>	<b>2,013,863</b>	<b>67,180</b>	<b>320,771</b>

	Notes	Group		Company	
		2000 <i>New Business</i> (note 1) Rmb'000	1999 <i>Chemical Business</i> (note 1) Rmb'000	2000 <i>New Business</i> (note 1) Rmb'000	1999 <i>Chemical Business</i> (note 1) Rmb'000
<b>LONG-TERM INVESTMENTS</b>					
Long-term equity investments		—	176,064	—	1,409,173
Long-term debt investments		—	1,393	—	—
Total long-term investments		—	177,457	—	1,409,173
Less: Provision for permanent diminution in value		—	(26,052)	—	(11,340)
Long-term investments - net book value		—	151,405	—	1,397,833
<b>FIXED ASSETS</b>					
Fixed assets - cost		1,091,591	4,830,122	1,091,591	44,484
Less: Accumulated depreciation		(376,481)	(1,481,410)	(376,481)	(5,470)
Fixed assets - net book value	7	715,110	3,348,712	715,110	39,014
Construction materials		—	65,001	—	—
Construction in progress		—	1,202,520	—	—
Total fixed assets		715,110	4,616,233	715,110	39,014
<b>INTANGIBLE AND OTHER ASSETS</b>					
Intangible assets	8	637,244	55,494	637,244	34,127
Long-term loans receivable		—	123,465	—	—
Total intangible and other assets		637,244	178,959	637,244	34,127
<b>DEFERRED TAXES</b>					
Deferred tax asset		—	3,582	—	—
<b>TOTAL ASSETS</b>		<b>1,419,534</b>	<b>6,964,042</b>	<b>1,419,534</b>	<b>1,791,745</b>

	Notes	Group		Company	
		2000 New Business (note 1) Rmb'000	1999 Chemical Business (note 1) Rmb'000	2000 New Business (note 1) Rmb'000	1999 Chemical Business (note 1) Rmb'000
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>EQUITY</b>					
<b>CURRENT LIABILITIES</b>					
Short-term loans		—	214,342	—	46,761
Bills payable		—	10,200	—	—
Accounts payable		1,139	925,524	1,139	—
Advances from customers		—	42,704	—	—
Welfare payable		1,632	14,189	1,632	58
Taxes payable	9	4,350	66,279	4,350	5,862
Other accruals		80	34,754	80	—
Other payables		4,879	580,882	4,879	175,820
Accrued expenses		800	25,822	800	10,743
Long-term liabilities payable within one year		—	796,801	—	82,793
Total current liabilities		12,880	2,711,497	12,880	322,037
<b>LONG-TERM LIABILITIES</b>					
Long-term loans		—	2,728,670	—	166,186
Long-term payables		—	297,423	—	—
Total long-term liabilities		—	3,026,093	—	166,186
Total liabilities		12,880	5,737,590	12,880	488,223
<b>SHAREHOLDERS' EQUITY</b>					
Share capital	10	1,330,000	1,330,000	1,330,000	1,330,000
Capital reserve fund	11	69,289	681,327	69,289	681,327
General reserves		1,104	106,468	1,104	106,468
Including:					
Statutory common reserve	11	736	51,016	736	51,016
Statutory provident fund	11	368	55,452	368	55,452
Undistributed profit/ (accumulated losses)		6,261	(891,343)	6,261	(814,273)
<b>Total shareholders' equity</b>		<b>1,406,654</b>	<b>1,226,452</b>	<b>1,406,654</b>	<b>1,303,522</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
		<b>1,419,534</b>	<b>6,964,042</b>	<b>1,419,534</b>	<b>1,791,745</b>

The accompanying notes set out on pages 57 to 90 form an integral part of these accounts.

**Ma Baiyu**  
Company Representative

**An Pindong**  
Chief Accountant

**Shi Zhenjuan**  
Accounts Preparer