

# BALANCE SHEETS

31 December 2003

(Expressed in Renminbi)

	Note	The Group		The Company	
		2003 RMB'000	2002 RMB'000	2003 RMB'000	2002 RMB'000
<b>NON-CURRENT ASSETS</b>					
Fixed assets					
— property, plant and equipment		<b>130,024</b>	116,834	<b>482</b>	600
— construction-in-progress		<b>6,000</b>	—	<b>—</b>	—
	15	<b>136,024</b>	116,834	<b>482</b>	600
Deferred tax assets	24(b)	<b>993</b>	—	<b>—</b>	—
Investments in subsidiaries	16	<b>—</b>	—	<b>114</b>	114
Deposits for acquisition of fixed assets		<b>—</b>	5,300	<b>—</b>	—
Prepaid rentals	17	<b>28,466</b>	14,733	<b>—</b>	—
		<b>165,483</b>	136,867	<b>596</b>	714
<b>CURRENT ASSETS</b>					
Inventories	18	<b>20,428</b>	9,850	<b>—</b>	—
Trade and other receivables	19	<b>59,990</b>	48,268	<b>171,578</b>	128,173
Cash and cash equivalents	20	<b>414,466</b>	258,453	<b>86,705</b>	5,439
		<b>494,884</b>	316,571	<b>258,283</b>	133,612
<b>CURRENT LIABILITIES</b>					
Trade and other payables	21	<b>14,384</b>	12,027	<b>4,172</b>	3,422
Bank loans, unsecured	22	<b>59,255</b>	41,500	<b>17,755</b>	—
Provision for staff welfare benefit	23	<b>14,830</b>	15,181	<b>—</b>	—
Current taxation	24(a)	<b>8,488</b>	3,822	<b>—</b>	—
		<b>96,957</b>	72,530	<b>21,927</b>	3,422
<b>NET CURRENT ASSETS</b>		<b>397,927</b>	244,041	<b>236,356</b>	130,190
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>563,410</b>	380,908	<b>236,952</b>	130,904
<b>NON-CURRENT LIABILITIES</b>					
Bank loans, unsecured	22	<b>52,470</b>	—	<b>52,470</b>	—
Coupon bonds	25	<b>37,206</b>	—	<b>37,206</b>	—
		<b>89,676</b>	—	<b>89,676</b>	—
<b>NET ASSETS</b>		<b>473,734</b>	380,908	<b>147,276</b>	130,904
<b>CAPITAL AND RESERVES</b>					
Share capital	26	<b>43,485</b>	42,400	<b>43,485</b>	42,400
Reserves	29	<b>430,249</b>	338,508	<b>103,791</b>	88,504
		<b>473,734</b>	380,908	<b>147,276</b>	130,904

Approved and authorized for issue by the board of directors on 26 April 2004.

**Yeung Chung Lung**  
Director

**Yang Le**  
Director

The notes on pages 28 to 59 form an integral part of these financial statements.