

UNAUDITED CONSOLIDATED BALANCE SHEET
at 30 June 2004

	<i>Note</i>	<i>At 30 June 2004 (RMB)</i>	<i>At 31 December 2003 (RMB) Audited</i>	<i>At 30 June 2004 (US\$) (Note 13)</i>	<i>At 31 December 2003 (US\$) (Note 13)</i>
Assets					
Lease prepayments		11,063,385	11,190,575	1,336,706	1,352,058
Property, plant and equipment	8	72,802,324	69,698,772	8,796,163	8,421,082
Intangible assets		860,880	1,183,710	104,014	143,017
Deferred tax assets		<u>5,014,437</u>	<u>3,503,229</u>	<u>605,857</u>	<u>423,264</u>
Total non-current assets		89,741,026	85,576,286	10,842,740	10,339,421
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Inventories	9	202,142,861	184,815,705	24,423,418	22,329,637
Accounts receivable	10	58,852,727	72,275,008	7,110,737	8,732,346
Bills receivable		4,735,292	12,651,091	572,130	1,528,519
Advances to suppliers		8,547,456	8,882,482	1,032,726	1,073,191
Other receivables, deposits and prepayments		19,025,388	12,877,316	2,298,696	1,555,851
Amounts due from a related company		139,104	-	16,807	-
Time deposits with banks		129,065,474	82,767,000	15,594,021	10,000,000
Cash and cash equivalents		<u>179,470,403</u>	<u>232,290,271</u>	<u>21,684,074</u>	<u>28,065,566</u>
Total current assets		601,978,705	606,558,873	72,732,609	73,285,110
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The notes on pages 23 to 32 form part of the interim financial report.

UNAUDITED CONSOLIDATED BALANCE SHEET (continued)
at 30 June 2004

	<i>Note</i>	<i>At 30 June 2004 (RMB)</i>	<i>At 31 December 2003 (RMB) Audited</i>	<i>At 30 June 2004 (US\$) (Note 13)</i>	<i>At 31 December 2003 (US\$) (Note 13)</i>
Current liabilities					
Bills payable		409,658	359,124	49,496	43,390
Accounts payable	11	34,537,234	39,972,591	4,172,877	4,829,532
Other creditors and accruals		44,662,538	47,698,551	5,396,243	5,762,991
Amounts due to related companies		-	1,100,828	-	133,003
Tax payable		5,483,256	6,526,888	662,501	788,586
Dividend payable		-	3,850,690	-	465,245
Total current liabilities		<u>85,092,686</u>	<u>99,508,672</u>	<u>10,281,117</u>	<u>12,022,747</u>
Net current assets		<u>516,886,019</u>	<u>507,050,201</u>	<u>62,451,492</u>	<u>61,262,363</u>
Net assets		<u>606,627,045</u>	<u>592,626,487</u>	<u>73,294,232</u>	<u>71,601,784</u>
Equity					
Share capital	12	1,442,185	1,442,185	174,248	174,246
Reserves		<u>605,184,860</u>	<u>591,184,302</u>	<u>73,119,984</u>	<u>71,427,538</u>
Capital and reserves		<u>606,627,045</u>	<u>592,626,487</u>	<u>73,294,232</u>	<u>71,601,784</u>

Approved and authorised for issue by the Board of Directors on 25 August 2004.



Alfred Chan Kai Tai
Chief Executive Officer



Pierre Frank Bourque
Executive Vice President

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