

Balance Sheet

As at 31st December 2006

(All amounts in thousands of RMB unless otherwise stated)

	Note	2006	2005
ASSETS			
Non-current assets			
Property, plant and equipment	5	1,223,420	1,427,234
Intangible assets	7	9,402	10,472
Investments in subsidiaries	8(a)	1,102,227	1,352,316
Interests in an associate	9	250,000	—
		2,585,049	2,790,022
Current assets			
Inventories	11	315,765	371,683
Trade receivables	12	585,872	659,561
Other receivables, deposits and prepayments		42,742	19,765
Loan to a subsidiary	8(b)	40,000	50,000
Cash and bank balances	13	221,729	186,555
		1,206,108	1,287,564
Total assets		3,791,157	4,077,586
EQUITY			
Capital and reserves attributable to the Company's shareholders			
Share capital	14	1,941,174	1,941,174
Other reserves	15	986,153	986,153
Accumulated losses		(689,740)	(679,784)
Total equity		2,237,587	2,247,543

Balance Sheet

As at 31st December 2006

(All amounts in thousands of RMB unless otherwise stated)

	Note	2006	2005
LIABILITIES			
Non-current liabilities			
Deferred income	16	534	961
Deferred income tax liabilities	17	6,117	3,614
Long-term payables	18	9,065	10,016
		15,716	14,591
Current liabilities			
Trade payables	19	377,258	481,270
Other payables and accruals	20	595,930	595,238
Current portion of long-term payables	18	962	3,339
Short-term bank borrowings	21	563,704	735,605
		1,537,854	1,815,452
Total liabilities		1,553,570	1,830,043
Total equity and liabilities		3,791,157	4,077,586
Net current liabilities		(331,746)	(527,888)
Total assets less current liabilities		2,253,303	2,262,134

The notes on pages 75 to 140 are an integral part of these financial statements

Xing Daoqin
Chairman

Guo Mengquan
Director