

## Financial statements

### Balance Sheet

(Prepared under PRC accounting Standards)

As at 31 December 2000

					<i>Unit: Rmb</i>
	Notes	The Group 2000 Closing balance	The Group 1999 Opening balance	The Company 2000 Closing balance	The Company 1999 Opening balance
Current assets					
Cash and bank balances	6	127,419,782.68	203,790,196.16	115,739,622.46	189,003,108.73
Bill receivables		385,000.00	—	—	—
Account receivables	7	83,902,421.03	44,561,334.94	73,578,791.11	40,167,845.32
Other receivable	8	28,248,511.28	62,037,815.15	74,910,812.66	107,730,236.67
less: provision for bad debt		(13,391,201.17)	(11,297,744.49)	(11,040,000.00)	(10,040,000.00)
Account receivables, net		98,759,731.14	95,301,405.60	137,449,603.77	137,858,081.99
Prepayment	9	17,000,317.14	3,043,455.53	14,055,875.00	543.23
Inventories	10	497,889,734.00	373,442,495.82	425,574,203.99	306,127,139.37
Less: Provision for diminution in value of inventories	10	(17,870,493.94)	(24,803,889.87)	(16,159,517.45)	(23,096,050.45)
Inventories, net		480,019,240.06	348,638,605.95	409,414,686.54	283,031,088.92
Deferred expenses	11	187,534.53	253,447.59	34,942.87	15,439.94
Disposal of current assets clearance	12	199,310.66	7,645.04	—	—
Total current assets		723,970,916.21	651,034,755.87	676,694,730.64	609,908,262.81
Long term investment					
Long term share investment	13	—	—	46,740,232.69	49,903,274.14
Long term investment in debts	13	32,847,000.00	32,967,000.00	32,847,000.00	32,967,000.00

Total long term investment		32,847,000.00	32,967,000.00	79,587,232.69	82,870,274.14
Less: provision for diminution in value of investment	—	—	—	—	—
Net long term investment		32,847,000.00	32,967,000.00	79,587,232.69	82,870,274.14
Fixed assets					
Fixed assets, at cost	14	798,905,514.60	675,299,742.97	712,856,101.67	588,856,135.44
less:accumulated depreciation	14	(331,485,439.92)	(277,278,710.56)	(308,285,224.58)	(257,317,978.89)
Fixed assets, net book value		467,420,074.68	398,021,032.41	404,570,877.09	331,538,156.55
Construction in progress	15	46,667,878.25	15,953,330.56	46,575,558.06	15,357,574.53
Disposal of fixed assets clearance		1,175,299.82	1,327,467.40	—	1,327,467.40
Total fixed assets		515,263,252.75	415,301,830.37	451,146,435.15	348,223,198.48
Intangible assets and other assets					
Intangible assets	16	31,857,484.83	9,947,126.35	20,480,000.00	—
Pre-operating expenses	17	—	26,943.94	—	—
Long term deferred expenses	18	53,136,960.05	54,212,987.22	51,108,000.00	52,320,000.00
Total intangible assets and other assets		84,994,444.88	64,187,057.51	71,588,000.00	52,320,000.00
Deferred tax					
Deferred tax debit	19	—	1,489,447.32	—	1,489,447.32

Total assets	1,357,075,613.84	1,164,980,091.07	1,279,016,398.48	1,094,811,182.75
--------------	------------------	------------------	------------------	------------------

*Unit: Rmb*

Liabilities and shareholders equity	Notes	The Group 2000 Closing balance	The Group 1999 Opening balance	The Company 2000 Closing balance	The Company 1999 Opening balance
Current liabilities					
Short term loans	20	21,000,000.00	15,780,000.00	5,000,000.00	5,000,000.00
Accounts payable	21	81,255,201.62	38,048,990.13	58,343,131.11	18,673,162.95
Receipts in advance	22	37,302,905.79	6,724,539.54	31,136,839.20	5,199,839.28
Wages Payable		18,157,125.31	2,565,892.54	16,453,560.10	—
Staff welfare		10,153,866.04	8,341,144.73	7,888,313.90	6,069,756.34
Dividend payable	23	40,000,000.00	22,000,000.00	40,000,000.00	22,000,000.00
Taxes payable	24	(4,135,220.21)	11,555,859.42	(4,744,163.69)	10,140,175.33
Sundry payable		86,901.78	169,628.14	71,102.96	127,504.03
Other payables	25	153,349,642.29	21,688,320.15	149,633,491.14	15,993,336.67
Accruals	26	59,335.75	165,404.68	—	—
Total current liabilities		357,229,758.37	127,039,779.33	303,782,274.72	83,203,774.60
Long term liabilities					
House revolving fund		—	7,312,532.05	—	7,312,532.05
Total long term liabilities		—	7,312,532.05	—	7,312,532.05
Deferred tax credit					
Deferred tax credit	27	242,941.38	242,941.38	242,941.38	242,941.38
Total liabilities		357,472,699.75	134,595,252.76	304,025,216.10	90,759,248.03
Minority interests		24,976,050.36	26,499,129.47	—	—

Shareholders fund					
Share capital	28	400,000,000.00	400,000,000.00	400,000,000.00	400,000,000.00
Capital reserve	29	399,511,301.04	399,511,301.04	399,511,301.04	399,511,301.04
Surplus reserve	30	128,333,734.89	126,135,381.07	128,233,337.87	126,045,488.35
including: statutory public welfare fund	30	39,850,838.07	38,751,661.16	39,800,639.56	38,706,714.80
Retained profits	31	46,779,708.22	78,237,704.01	47,246,543.47	78,495,145.33
Exchange reserve		2,119.58	1,322.72	—	—
Total shareholders equity		974,626,863.73	1,003,885,708.84	974,991,182.38	1,004,051,934.72
Total liabilities and shareholders equity		1,357,075,613.84	1,164,980,091.07	1,279,016,398.48	1,094,811,182.75