

(II). Financial Statements**Balance Sheets**
December 31st 2000

Unit: RMB

Assets		Opening balance		Closing balance	
		Parent company	Consolidated	Parent company	Consolidated
Current Assets:					
Cash and bank balances		432,555,027.51	479,045,047.75	135,068,988.12	173,658,559.64
Short-term investments		18,000,000.00	18,000,000.00	18,000,000.00	18,000,000.00
Less: Provision for diminution in value					
Short-term investment-net value		18,000,000.00	18,000,000.00	18,000,000.00	18,000,000.00
Bills receivable					
Interests receivable					
Dividends receivable		1,190,268.40	118,683.64	1,820,898.82	128,491.39
Accounts receivable		599,285,799.17	836,563,524.05	512,517,997.11	588,351,242.92
Other receivables		529,837,320.80	527,179,765.83	557,069,592.01	550,368,003.34
Less: provision for doubtful debts		57,426,228.74	58,504,625.13	407,705,660.48	409,111,160.60
Accounts receivable-net value		1,071,696,891.23	1,305,238,664.75	661,881,928.64	729,608,085.66
Prepayments to suppliers		144,236,087.32	147,033,103.47	107,269,688.05	109,287,518.04
Subsidy receivable		29,268,938.82	29,922,539.70	41,372,831.83	54,276,713.19
Inventories		180,237,660.85	292,197,740.15	307,877,287.08	462,816,587.76
Less: provision for diminution in value		8,514,659.89	9,990,431.66	334,185,983.48	335,636,131.09
Inventories-net value		171,723,000.96	282,207,308.49	-26,308,696.40	127,180,456.67
Deferred expenses		246,438.30	598,393.12	655,138.16	20,666,528.02
Long-term bonds mature within one year					
Other current assets					
Total current assets		1,868,916,652.54	2,262,163,740.92	939,760,777.22	1,232,806,352.61
Long-term investments:					
On equity		206,908,143.90	14,912,125.51	213,722,225.98	18,790,192.46
On bonds		3,900,000.00	3,900,000.00	3,200,000.00	3,200,000.00
Total long-term investments		210,808,143.90	18,812,125.51	216,922,225.98	21,990,192.46
Less: provision for diminution in value					
Long-term investment-net value		210,808,143.90	18,812,125.51	216,922,225.98	21,990,192.46
Fixed Assets					
Fixed assets-cost		1,143,588,519.29	1,408,762,288.86	1,178,210,005.02	1,443,483,562.92
Less: accumulated depreciation		262,432,243.07	360,089,481.62	317,305,565.32	432,939,099.68
Fixed assets-net book value		881,156,276.22	1,048,672,807.24	860,904,439.70	1,010,544,463.24
Construction materials		151,682.10	151,682.10	142,309.10	142,309.10
Construction-in-progress		12,955,472.69	21,202,683.66	32,018,133.07	40,265,344.04
Disposals of fixed assets					
Net loss on fixed assets to be written off					

Total fixed assets		894,263,431.01	1,070,027,173.00	893,064,881.87	1,050,952,116.38
Intangible and other assets					
Intangible assets		61,869,329.02	105,000,861.93	60,607,819.91	103,608,467.50
Pre-operating expenses			9,416,086.73		7,570,497.72
Long-term deferred expenses		287,054.38	1,050,293.30	517,087.60	1,452,881.99
Other long-term assets					
Total intangible and other assets		62,156,383.40	115,467,241.96	61,124,907.51	112,631,847.21
Deferred taxation					
Deferred tax – assets					
Total assets		3,036,144,610.85	3,466,470,281.39	2,110,872,792.58	2,418,380,508.66
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans		222,955,100.00	266,630,671.69	315,000,000.00	315,000,000.00
Bills payable				11,400,000.00	11,400,000.00
Accounts payable		274,244,976.53	319,950,455.10	195,903,995.79	241,126,571.65
Receipts in advance		18,147,848.22	40,357,180.29	119,638,141.99	121,415,679.35
Staff welfare payable		-1,478,829.43	603,120.78	1,508,218.09	3,850,833.72
Dividends payable		10,391.70	73,737.68	16,227.08	804,577.76
Taxes payable		20,827,242.81	32,030,533.86	-8,404,377.18	-7,248,295.23
Other unpaid items		1,448,438.95	1,563,881.38	2,090,754.20	2,253,479.62
Other payables		-201,216,287.84	40,451,436.13	-79,854, 667.12	48,625,631.57
Accrued expenses		94,336,421.67	100,884,718.26	88,552,775.08	159,405,542.93
Long-term liabilities within one year		689,468,365.36	689,468,365.36	546,468,365.36	546,468,365.36
Other current liabilities		146,555,729.45	146,555,729.45	7,017,049.18	7,017,049.18
Total current liabilities		1,265,299,397.42	1,638,569,829.98	1,199,336,482.47	1,450,119,435.91
Long-term liabilities					
Long-term loans		401,800,000.00	401,800,000.00	270,000,000.00	270,000,000.00
Bonds payables					
Long-term payable					
Other long-term liabilities		16,942,551.58	16,942,551.58	12,474,186.22	12,474,186.22
Total long-term liabilities		418,742,551.58	418,742,551.58	282,474,186.22	282,474,186.22
Deferred taxation:					
Deferred tax – liabilities					
Total liabilities		1,684,041,949.00	2,057,312,381.56	1,481,810,668.69	1,732,593,622.13
Minority interests			57,292,737.25		56,962,261.91
Shareholders' equity					
Share capital		494,677,580.00	494,677,580.00	494,677,580.00	494,677,580.00
Capital reserve		651,976,983.72	651,976,983.72	651,976,983.72	651,976,983.72
Surplus reserves		99,075,913.66	99,695,839.77	100,573,842.33	101,193,768.44
Including: statutory public welfare fund		32,910,406.55	33,019,843.48	32,752,987.88	32,752,987.88

Retained earnings		106,372,184.47	105,514,759.09	-618,166,282.16	-619,023,707.54
Total shareholders' equity		1,352,102,661.85	1,351,865,162.58	629,062,123.89	628,824,624.62
Total liabilities and shareholders' equity		3,036,144,610.85	3,466,470,281.39	2,110,872,792.58	2,418,380,508.66

BALANCE SHEETS

(PREPARED UNDER HONG KONG GENERALLY ACCEPTED ACCOUNTING PRINCIPLES)

AS AT 31ST DECEMBER 2000 (cont'd)

		Group		Company	
	Note	2000 RMB'000	1999 RMB'000	2000 RMB'000	1999 RMB'000
Fixed assets	10	1,114,152	1,153,675	927,042	948,687
Construction-in-progress	10	40,265	21,203	32,017	12,955
Investments in subsidiaries	11	-	-	188,827	184,734
Investments or interests in associated companies	12	6,100	3,052	5,808	2,845
Investment securities	13	30,690	29,860	29,760	29,860
Long-term receivables	14	102,375	138,974	3,200	3,900
Current assets					
Inventories	15	453,756	282,359	300,266	171,875
Due from subsidiaries		-	-	320,152	418,959
Trade receivables	16	505,480	692,825	369,776	420,162
Other receivables, prepayments and deposits	17	306,611	668,106	298,483	642,619
Tax recoverable	5(b)	28,016	-	18,162	-
Bank balances and cash		173,659	479,045	135,069	432,555
		1,467,520	2,122,335	1,441,908	2,086,170
Current liabilities					
Due to subsidiaries		-	-	16,784	36,100
Trade payables	18	241,127	360,307	188,692	285,491
Notes payable		11,400	-	11,400	-
Payments received on account	19	333,449	146,556	333,449	146,556
Other payables and accrued charges		245,974	104,790	202,734	84,699
Current portion of long term-bank loans	21	542,000	266,631	542,000	222,955
Taxation payable	5(b)	11,173	32,031	13,067	20,827
Provision for a potential liability	20	45,468	-	-	-
Provision for warranty		49,548	41,342	49,548	41,342
Dividends payable		805	74	16	10
Short-term bank loans		315,000	785,000	315,000	785,000
		1,795,944	1,736,731	1,672,688	1,622,980
Net current (liabilities) assets		(328,422)	385,604	(230,782)	463,190
Total assets less current liabilities		965,160	1,732,368	955,872	1,646,171
Financed by:					
Share capital	22	494,678	494,678	494,678	494,678
Reserves	23	128,476	857,186	191,194	849,693
Shareholders' fund		623,154	1,351,864	685,872	1,344,371
Minority interests		55,063	57,293	-	-
Long-term bank loans	21	270,000	301,800	270,000	301,800
Deferred income	14	16,943	21,411	-	-
		965,160	1,732,368	955,873	1,646,171

Director

Director