

Balance Sheet

(Prepared in accordance with the PRC Accounting Rules and Regulations)

	Group 2000	Group 1999	Company 2000	In Rmb Company 1999
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents (note 1, 32)	1,628,381,739	256,266,458	1,391,717,332	217,381,192
Short term investment	12,000,000	7,000,000	12,000,000	7,000,000
Less: Provision for loss on decrease in market value				
Short term investment-net book value (note 2)	12,000,000	7,000,000	12,000,000	7,000,000
Notes receivable (note 3)	38,070,181	24,967,513	18,820,000	23,267,513
Dividend receivable				
Interest receivable				
Accounts receivable (note 4(1))	366,412,211	465,138,121	180,373,050	301,968,777
Other receivable (note 4(2))	110,171,166	92,033,485	258,621,763	49,773,499
Less: Provision for bad debts (note 4(1)/(2))	(47,427,904)	(31,563,349)	(16,721,001)	(15,728,800)
Net receivable	429,155,473	525,608,257	422,273,812	336,013,476
Advances to supplier(note 5)	116,610,966	95,718,296	47,895,238	41,038,658
Subsidy receivable				
Inventories(note 6)	885,697,830	449,110,439	477,395,762	298,758,351
Less: Provision for loss on realization of inventories (note 6)	(4,315,763)	(1,397,153)	(3,700,000)	(1,100,000)
Inventories-net book value	881,382,067	447,713,286	473,695,762	297,658,351
Deferred and prepaid expenses	534,085	736,399	111,101	94,635
Loss on current assets to be disposed				
Long term investment maturing within one year				
Other current assets				
Total current assets	3,106,134,511	1,358,010,209	2,366,513,245	922,453,825
LONG TERM INVESTMENTS				
Long term equity investments (note 7)	1,836,040	18,512,207	280,424,409	195,752,984
Long term debt investments(note 7)	854,715	855,000	854,715	855,000
Total long term investment	2,690,755	19,367,207	281,279,124	196,607,984
Less: Provision for permanent diminution in value				
Long term investments-net book value	2,690,755	19,367,207	281,279,124	196,607,984
Including: Consolidation difference	(5,513,960)	(6,135,316)		
Difference in equity investment				
FIXED ASSETS				
Fixed assets-cost	869,094,994	823,612,935	554,709,119	533,223,668
Less: Accumulated depreciation	(403,452,389)	(357,548,724)	(231,635,278)	(206,723,858)
Fixed assets-net book value (note 8)	465,642,605	466,064,211	323,073,841	326,499,810
Construction materials				
Construction in progress (note 9)	32,480,094	24,238,033	31,387,865	23,081,032
Fixed assets pending disposal				
Loss on fixed assets to be disposed				
Total of fixed assets	498,122,699	490,302,244	354,461,706	349,580,842
INTANGIBLE AND OTHER ASSETS				
Intangible assets (note 10)	64,294,369	56,982,206	50,830,809	52,116,206
Pre-operating expenses (note 11)	1,807,639	1,166,000		
Long term deferred expenses(note 11)	515,099	882,882	546,530	635,284
Other long term assets				
Total intangible and other assets	66,617,107	59,031,088	51,377,339	52,751,490
DEFERRED TAXES				
Deferred tax charges				
TOTAL ASSETS	3,673,565,072	1,926,710,748	3,053,631,414	1,521,394,141

The accompanying notes form an integral part of these financial statements

Balance Sheet

(Prepared in accordance with the PRC Accounting Rules and regulations)

AS AT 31ST DECEMBER 2000 (CONTINUED)

				<i>In Rmb</i>
LIABILITIES AND SHAREHOLDERS' EQUITY	Group 2000	Group 1999	Company 2000	Company 1999
CURRENT LIABILITIES				
Short term loans (note 12)	416,410,000	471,863,780	346,910,000	346,660,000
Notes payable (notes 13)	77,587,304	34,785,125	48,000,000	23,160,000
Accounts payable (note 14)	288,247,098	283,619,295	150,951,350	147,619,415
Advances from customers (note 15)	543,019,400	150,545,582	202,573,576	90,627,985
Consignment payable				
Accrued payroll	930,046	1,347,558		
Staff welfare payable	9,010,022	6,055,064	4,062,658	2,799,684
Dividend payable	66,418,142		66,418,142	
Taxes payable (note 16)	(2,040,560)	22,861,236	4,783,660	9,754,367
Other accruals	1,242,528	1,079,472	1,178,495	
Other payable (note 17)	38,979,808	42,767,630	10,983,288	11,063,554
Accrued expenses (note 18)	2,927,851	6,320,774	1,365,000	3,167,147
Portion of long term liabilities due within one year (note 19)	23,500,000	47,620,000	23,500,000	38,620,000
Other current liabilities				
Total current liabilities	1,466,231,639	1,068,865,516	860,726,169	673,472,152
LONG TERM LIABILITIES				
Long term loans (note 20)	71,290,000	28,000,000	65,290,000	22,000,000
Debentures payable				
Payable due after one year				
Housing fund				
Other long term liabilities				
Total long term liabilities	71,290,000	28,000,000	65,290,000	22,000,000
DEFERRED TAXES				
Deferred tax credits				
TOTAL LIABILITIES	1,537,521,639	1,096,865,516	926,016,169	695,472,152
Minority interest	7,728,589	3,845,000		
SHAREHOLDERS' EQUITY				
Share capital (note 21)	603,800,000	423,800,000	603,800,000	423,800,000
Capital surplus (note 22)	1,252,154,114	197,354,118	1,252,154,114	197,354,118
Accumulated fund (note 23)	125,356,885	77,647,703	104,309,955	77,647,703
Including: statutory welfare fund	48,796,919	24,942,328	38,273,454	24,942,328
Undistributed profit (note 24)	147,003,845	127,198,411	167,351,176	127,120,168
Foreign exchange difference reserve				
Total shareholders' equity	2,128,314,844	826,000,232	2,127,615,245	825,921,989
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	3,673,565,072	1,926,710,748	3,053,631,414	1,521,394,141

The accompanying notes form an integral part of these financial statements