

Consolidated Balance Sheet

Prepared under the PRC accounting standards

1、 Financial statements

(1) Balance sheets (unaudited)

Assets	Unit: RMB			
	As at 30 th June, 2001			
	At the beginning of the period	At the end of the period		
	Parent Company	Consolidated	Parent Company	Consolidated
Current Assets:				
Cash and bank balances	135,068,988.12	173,658,559.64	290,223,386.07	353,867,264.89
Short-term investments	18,000,000.00	18,000,000.00		
Bills receivable				
Interests receivable				
Dividends receivable	1,820,898.82	128,491.39	1,979,224.86	1,979,224.86
Accounts receivable	505,517,628.39	581,068,804.77	439,965,328.17	404,705,365.92
Other receivables	156,364,300.25	148,539,280.89	125,092,645.31	114,438,557.55
Prepayments to suppliers	107,269,688.05	109,287,518.04	344,337,786.65	344,413,083.77
Subsidy receivables	41,372,931.83	54,276,713.19	50,108,589.69	52,282,387.78
Inventories	-26,308,696.40	127,180,456.67	35,993,056.40	260,689,317.47
Deferred expenses	655,138.16	20,666,528.02	233,046.48	20,407,576.92
Long-term bonds mature within one year				
Other current assets				
Total current assets	939,760,777.22	1,232,806,352.61	1,287,933,063.63	1,552,782,779.16
Long-term investments:				
Long-term investments in equity	193,689,480.67	17,805,062.18	201,077,979.41	18,699,529.35
Long-term investments in bonds	3,200,000.00	3,200,000.00		
Total long-term investments	196,889,480.67	21,005,062.18	201,077,979.41	18,699,529.35
Fixed assets				
Fixed assets-cost	1,178,210,005.02	1,443,483,562.92	1,214,523,582.16	1,483,620,805.05
Less: accumulated depreciation	317,305,565.32	432,939,099.68	345,045,233.45	472,083,907.19
Fixed assets-net book value	860,904,439.70	1,010,544,463.24	869,478,348.71	1,011,536,897.86
Less: fixed assets diminution provision				
Fixed assets net value	860,904,439.70	1,010,544,463.24	869,478,348.71	1,011,536,897.86
Construction materials	142,309.10	142,309.10	119,648.70	119,648.70
Construction in progress	32,018,133.07	40,265,344.04	32,246,110.30	40,493,321.27
Disposal of fixed assets				
Total fixed assets	893,064,881.87	1,050,952,116.38	901,844,107.71	1,052,149,867.83

Intangible assets	60,607,819.91	89,708,467.50	59,311,482.11	88,346,687.40
Long-term deferred expenses	517,087.60	1,452,881.99	906,810.96	2,005,225.11
Other long-term assets				58,483.34
Total intangible and other assets	61,124,907.51	91,161,349.49	60,218,293.07	90,410,395.85
Deferred taxation				
Deferred taxation -assets				
Total assets	2,090,840,047.27	2,395,924,880.66	2,451,073,443.82	2,714,042,571.83
Liabilities and shareholders' equity				
Current liabilities:				
Short-term loans	315,000,000.00	315,000,000.00	215,000,000.00	215,000,000.00
Bills payable	11,400,000.00	11,400,000.00	80,000,000.00	80,000,000.00
Accounts payable	195,903,995.79	241,126,571.65	187,881,827.15	220,413,263.55
Receipts in advance	119,638,141.99	121,415,679.35	55,364,343.66	59,094,663.73
Salaries payable				
Staff welfare payable	1,508,218.09	3,850,833.72	1,128,866.56	3,393,467.60
Dividends payable	16,227.08	804,577.76	13,449.38	2,294,207.49
Taxes payable	-8,404,377.18	-6,699,644.15	-16,842,126.51	-25,889,883.95
Other unpaid items	2,090,754.20	2,253,479.62	2,182,956.56	2,331,685.07
Other payables	-79,854,667.12	48,388,132.30	-52,413,021.16	54,507,018.93
Accrued expenses	88,552,775.08	159,405,542.93	89,582,154.29	159,694,374.46
Estimated expenses				
Long-term liabilities due within one year	546,468,365.36	546,468,365.36	518,000,000.00	518,000,000.00
Other current liabilities	7,017,049.18	7,017,049.18	274,670,313.72	274,670,313.72
Total current liabilities	1,199,336,482.47	1,450,430,587.72	1,354,568,763.65	1,563,509,110.60
Long-term loans:				
Long-term loans	270,000,000.00	270,000,000.00	470,700,000.00	470,700,000.00
Bonds payable				
Long-term accounts payable				
Special accounts payable				
Other long-term liabilities	12,474,186.22	12,474,186.22	10,240,003.54	10,240,003.54
Total long-term liabilities	282,474,186.22	282,474,186.22	480,940,003.54	480,940,003.54
Deferred taxation				
Deferred taxation-liabilities				
Total liabilities	1,481,810,668.69	1,732,904,773.94	1,835,508,767.19	2,044,449,114.14

Minority interests		53,990,728.14		54,028,781.06
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	651,977,481.72	651,977,481.72
Surplus reserves	99,439,771.39	100,059,697.50	99,439,771.39	100,059,697.50
Including: statutory public welfare fund	32,185,952.41	32,185,952.41	32,727,174.55	32,727,174.55
Retained earnings	-637,064,956.53	-637,684,882.64	-630,530,156.48	-631,150,082.59
Total shareholders' equity	609,029,378.58	609,029,378.58	615,564,676.63	615,564,676.63
Total liabilities and shareholders' equity	2,090,840,047.27	2,395,924,880.66	2,451,073,443.82	2,714,042,571.83

Prepared under the Hong Kong generally accepted accounting principles

2. Condensed consolidated balance sheet

As at 30th June 2001 and 31st December 2000

	Note	Unaudited 30th June 2001 RMB'000	Audited 31st December 2000 RMB'000
Fixed assets	9	1,099,884	1,114,152
Construction-in-progress	9	40,493	40,265
Investments in associated companies		6,010	6,100
Investment securities		12,690	30,690
Long-term receivables		81,230	102,375
Current assets			
Inventories		486,222	453,756
Trade receivables	10	440,016	505,480
Other receivables, prepayments and deposits		471,287	306,611
Tax recoverable		36,884	28,016
Bank balances and cash		353,867	173,659
		1,788,276	1,467,522
Current liabilities			
Trade payables	11	184,325	241,127
Notes payable		80,000	11,400
Payments received on account		530,083	333,449
Other payables and accrued charges		246,295	245,974
Current portion of long-term bank loans	12	518,000	542,000
Taxation		4,009	11,173
Provision for a potential liability		45,468	45,468

Provision for warranty	13	49,798	49,548
Dividends payable		602	805
Short-term bank loans		215,000	315,000
		<u>1,873,580</u>	<u>1,795,944</u>
Net current liabilities		<u>(85,304)</u>	<u>(328,422)</u>
Total assets less current liabilities		<u>1,155,003</u>	<u>965,160</u>
Financed by:			
Share capital		494,678	494,678
Reserves		120,887	128,476
Shareholders' fund		<u>615,565</u>	<u>623,154</u>
Minority interests		54,030	55,063
Long-term bank loans	12	470,700	270,000
Deferred income		14,708	16,943
		<u>1,155,003</u>	<u>965,160</u>