

BALANCE SHEET

| | | As at 31 December | |
|--|------|-------------------|------------------|
| | Note | 2006 RMB'000 | 2005 RMB'000 |
| ASSETS | | | |
| Non-current assets | | | |
| Land use rights | 6 | 32,344 | 42,446 |
| Property, plant and equipment | 7 | 1,563,730 | 1,358,804 |
| Intangible assets | 8 | 57,443 | 65,729 |
| Interest in a jointly controlled entity | 9 | 218,003 | — |
| Deferred income tax assets | 19 | 13,383 | 11,368 |
| | | 1,884,903 | 1,478,347 |
| Current assets | | | |
| Inventories | 11 | 248,335 | 224,547 |
| Trade and other receivables | 10 | 323,334 | 268,173 |
| Financial assets at fair value through profit or loss | 12 | — | 10,172 |
| Current income tax prepayment | | 1,222 | 3,811 |
| Cash at bank and in hand | 13 | 216,469 | 227,047 |
| | | 789,360 | 733,750 |
| Total assets | | 2,674,263 | 2,212,097 |
| EQUITY | | | |
| Capital and reserves attributable to the Company's shareholders | | | |
| Share capital | 14 | 866,250 | 630,000 |
| Other reserves | 15 | 176,650 | 24,867 |
| Retained earnings | | | |
| – Proposed dividend | 26 | 43,313 | 44,100 |
| – Others | | 105,232 | 58,735 |
| Total equity | | 1,191,445 | 757,702 |

| | | As at 31 December | |
|--|------|-------------------|------------------|
| | Note | 2006 RMB'000 | 2005 RMB'000 |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Long-term bank loans | 18 | 710,000 | 578,904 |
| Deferred income on government grants | 16 | 84,556 | 87,122 |
| | | <u>794,556</u> | <u>666,026</u> |
| Current liabilities | | | |
| Trade and other payables | 17 | 195,617 | 173,559 |
| Short-term bank loans | 18 | 240,000 | 270,000 |
| Current portion of long-term bank loans | 18 | 252,645 | 309,053 |
| Dividends payable | | — | 35,757 |
| | | <u>688,262</u> | <u>788,369</u> |
| Total liabilities | | <u>1,482,818</u> | <u>1,454,395</u> |
| Total equity and liabilities | | <u>2,674,263</u> | <u>2,212,097</u> |
| Net current asset/(liability) | | <u>101,098</u> | <u>(54,619)</u> |
| Total assets less current liabilities | | <u>1,986,001</u> | <u>1,423,728</u> |

Approved by the Board of Directors on 19 April 2007

On behalf of the Board

Wang Jinjun
Chairman

Wang Changsheng
Director

The notes on pages 33 to 72 are an integral part of these financial statements.