

Consolidated Balance Sheet

As at 31st December, 2006

| | NOTES | 2006 RMB'000 | 2005 RMB'000 |
|--|-------|------------------|------------------|
| Non-current assets | | | |
| Property, plant and equipment | 15 | 561,210 | 506,383 |
| Mining rights | 16 | 205,171 | — |
| Other intangible assets | 17 | 16,717 | 17,605 |
| Goodwill | 18 | 4,193 | 4,193 |
| Prepaid lease payments | 19 | 33,308 | 34,225 |
| Interest in an associate | 20 | — | — |
| Deferred tax assets | 33 | 4,619 | 2,371 |
| | | 825,218 | 564,777 |
| Current assets | | | |
| Inventories | 21 | 336,334 | 267,701 |
| Trade and other receivables | 22 | 1,310,264 | 1,198,649 |
| Prepaid lease payments | 19 | 917 | 917 |
| Amounts due from directors | 23 | 655 | 825 |
| Amounts due from related companies | 36 | 23,282 | 22,954 |
| Amounts due from minority shareholders | 36 | 279 | 656 |
| Amount due from an associate | 24 | 24,725 | 40,744 |
| Investment held for trading | 25 | — | 350 |
| Pledged bank deposits | 26 | 54,817 | 61,333 |
| Bank balances and cash | 27 | 274,555 | 197,299 |
| | | 2,025,828 | 1,791,428 |
| Current liabilities | | | |
| Trade and other payables | 28 | 664,632 | 624,272 |
| Amounts due to related companies | 36 | 10,031 | 13,660 |
| Amounts due to minority shareholders | 36 | 4,547 | 4,958 |
| Amount due to an associate | 24 | — | 1,586 |
| Tax liabilities | | 7,347 | 9,604 |
| Other borrowings | 29 | 7,681 | 8,740 |
| Bank borrowings — due within one year | 30 | 743,968 | 578,537 |
| | | 1,438,206 | 1,241,357 |
| Net current assets | | 587,622 | 550,071 |
| | | 1,412,840 | 1,114,848 |

Consolidated Balance Sheet

As at 31st December, 2006

| | NOTES | 2006 RMB'000 | 2005 RMB'000 |
|--|-------|-----------------|-----------------|
| Capital and reserves | | | |
| Share capital | 31 | 46,308 | 46,308 |
| Reserves | | 1,112,990 | 971,454 |
| Equity attributable to equity holders of the Company | | 1,159,298 | 1,017,762 |
| Minority interests | | 113,374 | 94,007 |
| Total equity | | 1,272,672 | 1,111,769 |
| Non-current liabilities | | | |
| Bank borrowings — due after one year | 30 | 130,000 | — |
| Other borrowings | 29 | 1,000 | — |
| Deferred tax liabilities | 33 | 9,168 | 3,079 |
| | | 140,168 | 3,079 |
| | | 1,412,840 | 1,114,848 |

The consolidated financial statements on pages 27 to 78 were approved and authorised for issue by the Board of Directors on 23rd April, 2007 and are signed on its behalf by:

Mr. Song Dian Quan
DIRECTOR

Mr. Zhang Li Ming
DIRECTOR