



THE MARKET

Shanghai Huili Group Co Ltd is a conglomerate that has specialised in manufacturing construction and decoration materials for 30 years. It has registered capital of 350 million yuan and total assets of 2.7 billion yuan.

The group comprises six wholly funded enterprises, 17 shareholding companies and 28 joint ventures. It has established over 180 direct sales companies around the country and has offices in Europe, America and Southeast Asia.

ACHIEVEMENTS

Shanghai Huili Group has been acclaimed as one of the 512 Key National Enterprises, Top 100 High-tech Enterprises and Shanghai 54 key conglomerates.

It has also earned the following titles: The Best Industrial Enterprise in Shanghai, Shanghai Civilized Unit and Shanghai Advanced Enterprise with Good Faith. The Huili brand, registered in 1984, has become a brand under key protection in Shanghai.

HISTORY

In June 1996 Shanghai Huili Construction Material Co Ltd was set up as a shareholding company and its B shares were listed at the same time.

In July 2000 Huili Group formed a relationship with COSCO Property Group Co Ltd which allowed Huili to boost its strength in capital accumulation and usage, management and market exploration, and provided strong foundations for

sustainable development and international competitiveness.



Shanghai Huili Household Enterprise Management Co Ltd, a subsidiary of Huili Group, held its opening ceremony on May 21, 2004. At the same time, Tangqiao Huili Construction Material Display Centre unveiled its plaque.

THE PRODUCT

The group has 500 types of products categorised into construction painting, construction plastics, wooden products and metal decoration materials.

Huili Wooden Products: The staple Huili wooden products include laminate flooring, wooden floors, T-type European-style doors, fire doors, burglarproof doors, high-grade office

stationery, kitchen furniture, decoration panels and various kinds of packaging materials. Their biggest attractions are high precision, elegance, prompt installation service and convenience.

Huili wooden products are widely used in decoration of engineering projects and in private homes. Some well-known examples are Shanghai Stadium, Jinmao Tower, Pudong International Airport, Shanghai International Conference Centre, Beijing Yanjing Mansion, Guangxi Nanning Political Consultation Mansion, Parliament of the Gabonese Republic and the President's House of Mauritania.

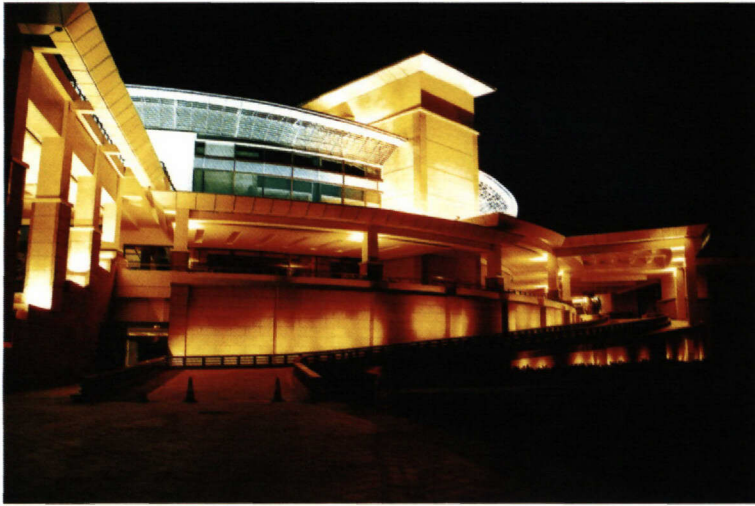
Huili Wood Doors: A complete series of wood processing equipment and manufacturing handcrafts has been introduced from western Europe. Annual production capability is 400,000 doors and 300,000 doorframes, making Huili one of the biggest manufacturers of its kind in Asia.



Huili Paints: There are a variety of Huili paints for 200 kinds of construction materials and special functional painting jobs. These have been used in high-grade projects like Asian sports stadiums, Shanghai Hongqiao Airport, Pudong International Airport and many residential developments around the country.

Huili Plastics: Huili plastic construction materials contain PVC coated rolls, PC panels, PETG panels, plastic steel doors and windows. The group has four joint ventures in this product line. These materials are widely used in underground works, roofing, reservoirs, tunnels, subways, roads and bridges making them waterproof. These products are also exported to Russia, Vietnam and east Asia.





developing opportunities in the household consumption market, using high-tech and innovative sales methods in household decoration. The aim is to provide commercial solutions to demand for healthy environments, all with premium levels of client service.

Huili Household brings forth a brand-new image, an entirely new business mode and a totally new service philosophy to the Chinese household market. It has

station at the South Pole. It also donated 400,000 yuan to the project. Later the group also participated in the 19th investigation of the South Pole and seven team members from subsidiary companies of Huili Group built and decorated the house at the Zhongshan Station at the South Pole, which was highly praised by Wei Wenliang, the chief director of the investigation team.

In 2002 Huili Group took part in the International Consumption Products Exhibition in St. Petersburg. This was the group's maiden participation in a major international exhibition.

In September 2002, the group sponsored for the eighth time the Huili Cup Shanghai International Football Championship held at the Shanghai Stadium.

In August 2002, Huili Construction Material Cup of 2002 Asia OP Grade Sailing Championship – co-sponsored by International Sailing Association, International OP Grade Sailing Association, China Sailing Sport Meeting and Qingdao Municipal Government – was held at the Huiquan Bay in Qingdao. This competition featured the highest level of OP sailing in Asia.

BRAND VALUES

Incorporating features that are “new, fast, quiet, clean and simple”, Huili products are among the leaders in the construction material industry. Huili products adapt international technology to handicrafts, using modern equipment to transfer the qualities of traditional materials to functional materials, mono-materials to compound materials and natural materials to synthetic materials. In the process, the group achieves economies of scale in its products.

Centered around construction materials, Huili Group strives to develop and evolve new products to cater to the growing building needs of the Chinese middle class. It monitors domestic and international standards carefully in the cause of mass production of household products that need to be assembled on the spot with ease and the minimum of time for home decoration.

Bo'ao used to be a barren island. Over the years the unknown village in southern China has flourished as the locale of the Bo'ao Asia Forum. With its innovative design and professional work, Huili Group created the splendid landscape of Bo'ao in just one year.

Huili Metal Decoration Materials: The products of Huili metal decoration construction materials include metal ceilings, aluminium composite panels, colour light steel, locks, metal fire doors, camping equipment, industrial steel brush, wall material, terraces, etc.

RECENT DEVELOPMENTS

Chinese government statistics show that almost all residential properties on the market come with proper decorations and fixtures. This is an important opportunity as well as challenge for Huili.

In order to eliminate likely complaints about construction and decorative fixtures after house decoration is completed, and to reduce the cost burdens thereof, the group has put forward a new concept: “Huili collection of decoration”.

The technical support for this mode is the information service system of decoration. With this system as its platform, the group can acquire and feed back information to clients promptly and accurately. The “shopping basket” project of decoration and furnishing initiated by Huili has become a comprehensive decorated house project.

Backed by the manufacturing, marketing and management of Shanghai Huili Group, Shanghai Huili Household Enterprise Management Co Ltd is



always been the business strategy of Huili household to approach consumers and provide them with good quality and cheap service. Huili Household aims to become the first choice among the consumers.

PROMOTION

Huili Group supported the 16th Chinese South Pole Investigation Expedition. Huikai Light Construction Material Co Ltd, a subsidiary of the group, undertook construction of the buildings used at the Chinese central

THINGS YOU DIDN'T KNOW ABOUT HUILI

- Huili Floor Company was the first in China to introduce a compound floor production line
- Huihao Wood Door Company is one of the biggest European-style wooden door manufacturers in Asia
- Huili is China's oldest and best-known brand of industrial paint