



# CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2003 (Expressed in Renminbi)

	2003 RMB'000	2002 RMB'000
<b>Operating activities</b>		
Profit from ordinary activities before taxation	25,431	86,823
Adjustments for:		
Depreciation	35,478	23,793
Amortisation of negative goodwill	(583)	(520)
Finance costs	29,726	25,377
Interest income	(4,273)	(7,137)
Share of profits of associates	(2,131)	(8,958)
(Gain)/loss on disposal of fixed assets	(9)	100
Loss on disposal of an associate	847	–
Net proceeds from issue of warrants realised upon expiry of warrants	–	(5,260)
<b>Operating profit before changes in working capital</b>	<b>84,486</b>	114,218
Decrease in inventories	325	202
Increase/(decrease) in trade and other receivables	(38,453)	36,916
Decrease/(increase) in amount due from an associate	13,005	(10,005)
Decrease/(increase) in amount due from a minority shareholder	232	(4,273)
Decrease in amounts due to minority shareholders	(4,000)	(16,552)
Decrease in trade and other payables	(9,063)	(43,451)
<b>Cash generated from operations</b>	<b>46,532</b>	77,055
Tax paid		
PRC income tax paid	(12,833)	(2,346)
<b>Net cash generated from operating activities</b>	<b>33,699</b>	74,709

# CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2003 (Expressed in Renminbi)



		2003	2002
	Notes	RMB'000	RMB'000
<b>Investing activities</b>			
Withdrawal of pledged bank deposits		89	13,873
Payment for purchase of fixed assets		(1,569)	(479)
Proceeds from sales of fixed assets		80	33
Payment for purchase of construction in progress		(109,340)	(39,568)
New loans to an associate		-	(26,054)
Net cash outflow from purchase of subsidiaries	29(a)	-	(58,608)
Net cash inflow from sale of subsidiaries	29(b)	-	32,531
Payment for purchase of associates		-	(50,602)
Proceeds from sale of associate, net of direct expenses		134,655	-
Interest received		4,273	7,137
<b>Net cash generated from/(used in) investing activities</b>		<b>28,188</b>	<b>(121,737)</b>
<b>Financing activities</b>			
Proceeds from issue of share capital		-	4,452
Share issue expenses		-	(37)
Increase in amount due to ultimate holding company		705	-
Repayment of loans from ultimate holding company		-	(26,671)
Proceeds from new bank loans		166,800	336,800
Repayment of bank loans		(106,800)	(256,800)
Dividends paid to minority shareholders		(26,190)	-
Interest paid		(29,726)	(25,377)
<b>Net cash generated from financing activities</b>		<b>4,789</b>	<b>32,367</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>66,676</b>	<b>(14,661)</b>
<b>Cash and cash equivalents at 1 January</b>		<b>2,935</b>	<b>17,596</b>
<b>Cash and cash equivalents at 31 December</b>	21	<b>69,611</b>	<b>2,935</b>

The notes on pages 32 to 70 form part of these financial statements.