

Consolidated Cash Flow Statement

for the year ended 31 December 2004

(Expressed in Renminbi)

Notes	2004 RMB'000	2003 RMB'000
Operating activities		
(Loss)/profit from ordinary activities before taxation	(62,847)	25,431
Adjustments for:		
Depreciation	41,256	35,478
Amortisation of negative goodwill	(582)	(583)
Amortisation of positive goodwill	397	–
Finance costs	28,501	29,726
Interest income	(2,215)	(4,273)
Share of profit of an associate	–	(2,131)
Share of loss of a jointly controlled entity	544	–
Bad debt written off	1,357	–
Loss/(gain) on disposal of fixed assets	373	(9)
Loss on disposal of an associate	–	847
Operating profit before changes in working capital	6,784	84,486
(Increase)/decrease in inventories	(450)	325
Increase in trade and other receivables	(3,619)	(38,453)
Decrease in amount due from an associate	–	13,005
Decrease in amount due from a minority shareholder	4,041	232
Decrease in amounts due to minority shareholders	–	(4,000)
Decrease in trade and other payables	(3,569)	(9,063)
Cash generated from operations	3,187	46,532
Tax paid		
PRC income tax paid	(1,250)	(12,833)
Net cash generated from operating activities	1,937	33,699

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for the year ended 31 December 2004

(Expressed in Renminbi)

	<i>Notes</i>	2004 RMB'000	2003 RMB'000
Investing activities			
Withdrawal of pledged bank deposits		53,473	89
Payment for purchase of fixed assets		(1,255)	(1,569)
Proceeds from sales of fixed assets		114	80
Payment for purchase of construction in progress		(40,160)	(109,340)
Proceeds from sale of associate, net of direct expenses		–	134,655
Interest received		2,215	4,273
Net cash generated from investing activities		14,387	28,188
Financing activities			
Increase in amount due to ultimate holding company		–	705
Repayment of loans from ultimate holding company		(705)	–
Proceeds from new bank loans		73,000	166,800
Repayment of bank loans		(126,800)	(106,800)
Dividends paid to minority shareholders		–	(26,190)
Interest paid		(28,501)	(29,726)
Net cash (used in)/generated from financing activities		(83,006)	4,789
Net (decrease)/increase in cash and cash equivalents		(66,682)	66,676
Cash and cash equivalents at 1 January		69,611	2,935
Cash and cash equivalents at 31 December	<i>19</i>	2,929	69,611

The notes on pages 27 to 62 form part of these financial statements.