

Consolidated Cash Flow Statement

Year ended 31 December 2000
(Prepared under PRC Accounting Standards)

	2000	1999
	RMB	RMB
1. Cash flows from operating activities:		
Cash received from sales of good or rendering of services	12,116,932,407	10,679,825,697
Value added tax on sales received	2,059,878,509	1,821,574,624
Interest from bank deposits received and others	2,447,039	3,097,111
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Sub-total of cash in flows	14,179,257,955	12,504,497,432
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Cash paid for goods and services	10,854,788,920	9,143,509,906
Cash paid to and on behalf of employees	383,266,008	388,792,562
Cash paid for utility expenses	1,139,454,940	883,152,114
Cash paid for repair and maintenance expenses	357,145,395	347,963,515
Cash paid for sewerage expenses	66,248,000	66,105,688
Cash paid for travel and accommodation expenses	4,523,379	11,263,247
Cash paid for pension fund	96,922,008	97,626,000
Cash paid for research and development expenses	11,245,073	23,243,390
Value added tax on purchases paid	592,487,231	528,935,483
Income tax paid	74,230,912	39,119,571
Other taxes paid	29,996,227	20,905,438
Other cash paid relating to operating activities	431,569,473	364,921,063
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Sub-total of cash outflows	14,041,877,566	11,915,537,977
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Net cash flows from operating activities	137,380,389	588,959,455
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	2000 RMB	1999 RMB
2. Cash flows from investing activities:		
Cash received from dividend income	–	302,574
Cash received from bond interest income	<u>32,479</u>	<u>6,480</u>
Sub-total of cash inflows	<u>32,479</u>	<u>309,054</u>
Cash paid to acquire fixed assets and construction in progress	<u>1,222,725,080</u>	403,758,546
Cash paid to acquire intangible assets	<u>174,260,104</u>	<u>87,342,231</u>
Sub-total of cash outflows	<u>1,396,985,184</u>	<u>491,100,777</u>
Net cash flows from investing activities	<u>(1,396,952,705)</u>	<u>(490,791,723)</u>
3. Cash flows from financing activities:		
Proceeds from borrowings	<u>4,474,984,061</u>	1,741,398,226
Investment received from minority shareholder of a subsidiary	–	24,834,900
Proceeds from issuing additional shares	<u>485,518,000</u>	<u>–</u>
Sub-total of cash inflows	<u>4,960,502,061</u>	<u>1,766,233,126</u>
Cash repayments of amounts borrowed	<u>3,021,852,723</u>	1,574,530,365
Cash payments for distribution of dividends	<u>11,279,780</u>	34,110,780
Cash payments of interest expenses	<u>682,879,819</u>	238,398,201
Cash payments of dividends attributable to minority interests	<u>2,739,428</u>	<u>165,448</u>
Sub-total of cash outflows	<u>3,718,751,750</u>	<u>1,847,204,794</u>
Net cash flows from financing activities	<u>1,241,750,311</u>	<u>(80,971,668)</u>
4. Net (decrease)/increase in cash and cash equivalents	<u>(17,822,005)</u>	<u>17,196,064</u>

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Notes:

1. Investing and financing activities that do not involve cash receipts and payments:

	2000	1999
	RMB	RMB
Amounts paid by JCGC for acquiring fixed assets and construction in progress	<u>–</u>	<u>33,357,153</u>

2. Reconciliation of net (loss)/profit to cash flows from operating activities:

Net (loss)/profit	(878,766,153)	152,757,612
Provision for doubtful debts	60,938,430	11,391,965
Provision for inventories	55,220,271	1,113,532
Depreciation of fixed assets	780,658,144	724,327,641
Amortisation of intangible assets	73,408,196	67,539,841
Amortisation of other long term assets	–	62,865,537
Loss on disposal of fixed assets	605,553,238	1,740,100
Interest expenses	644,030,062	603,520,144
(Profit)/Loss arising from investments	(37,426,686)	5,017,191
Deferred tax expenses	(2,387,718)	1,022,401
Amortisation of share premium	(520,000)	(520,000)
Share of results by minority shareholders	17,156,529	1,893,265
Increase in trade debtors	(1,728,194,959)	(330,815,078)
Decrease in prepayments	31,448,909	26,244,092
Increase in other debtors	(280,814,867)	(5,588,674)
Increase in inventories	(300,751,089)	(242,978,992)
(Increase)/decrease in deferred expenses	(1,922,778)	16,077,863
Decreases in trade creditors	(4,893,706)	(172,622,759)
Decreases in advance from customers	(60,643,273)	(14,429,624)
Decrease in taxes payable	(119,980,858)	(32,706,628)
Increase/(decrease) in other creditors	<u>1,285,268,697</u>	<u>(286,889,974)</u>
Net cash flows from operating activities	<u>(137,380,389)</u>	<u>588,959,455</u>

3. Net (decrease) income in cash and cash equivalents:

Cash at the end of the year	228,964,237	246,786,242
Less: cash at the beginning of the year	<u>246,786,242</u>	<u>229,590,178</u>
Net (decrease)/increase in cash and cash equivalents at end of year	<u>(17,822,005)</u>	<u>17,196,064</u>