

# Consolidated Cash Flow Statement

For the Year ended 31 December 2002 (Prepared in accordance with IFRS)

	2002 <i>RMB'000</i> (As restated)	2001 <i>RMB'000</i> (As restated)
Operating activities		
Profit (loss) before taxation	87,235	(1,504,351)
Adjustments for:		
Share of results of associates	4,134	611
Interest income	(14,680)	(12,552)
Interest expense	90,007	92,865
Depreciation on property, plant and equipment	442,263	346,317
Amortisation of goodwill	1,597	16,014
Loss on disposal of property, plant and equipment	748	16,334
Impairment loss recognised in respect of property, plant and equipment	–	47,236
Release of negative goodwill to income	(2,395)	–
(Reversal of allowance) allowance for inventories	(198,219)	281,652
(Reversal of allowance) allowance for irrecoverable debts	(33,147)	235,223
Impairment loss recognised in respect of goodwill	–	59,381
Impairment loss recognised in respect of interests in associates	–	11,820
Operating cash flows before movements in working capital	377,543	(409,450)
Decrease in inventories	475,432	229,150
Increase in trade and other receivables	(722,216)	(61,759)
Decrease in amounts due from associates	32,995	–
Decrease in value-added tax recoverable	179,089	29,215
Increase in trade and other payables	309,018	273,205
Decrease in trade deposits from customers	(96,828)	(96,463)
(Decrease) increase in warranty provision	(52,326)	13,185
Decrease in pension liabilities	(41,411)	(8,054)
Increase in other long-term payables	741	7,398
Cash generated from (used in) operations	462,037	(23,573)
Interest received	14,680	12,552
Interest paid	(90,007)	(92,865)
Others	–	(5,392)
Net cash from (used in) operating activities	386,710	(109,278)

	2002 RMB'000 (As restated)	2001 RMB'000 (As restated)
Investing activities		
Purchase of property, plant and equipment	(216,916)	(218,305)
Proceeds on disposal of property, plant and equipment	18,829	84,438
Increase in pledged bank deposits	(603,452)	(88,058)
Purchase of other assets	–	(6,840)
Proceeds on disposal of other assets	769	–
Dividend received from associates	–	5,392
Acquisition of associates	–	(79,309)
Acquisition of subsidiaries	56,909	–
Acquisition of additional interests in subsidiaries	–	(18,941)
Repayment from related companies	6,537	–
Repayment from (advances to) Guangdong Kelon (Rongsheng) Group Company Limited	4,643	(581,433)
Repayment from Greencool Enterprise Development Company Limited	198,000	–
Net cash used in investing activities	(534,681)	(903,056)
Financing activities		
Bank borrowings raised	1,454,465	863,447
Repayment of bank borrowings	(1,272,530)	–
Net cash from financing activities	181,935	863,447
Net increase (decrease) in cash and cash equivalents	31,242	(148,887)
Cash and cash equivalents at beginning of the year	651,196	799,773
Effect of foreign exchange rate changes	1,478	310
Cash and cash equivalents at end of the year	686,638	651,196

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