

Consolidated Cash Flow Statement

TECHWAYSON HOLDINGS LIMITED / FOR THE YEAR ENDED 30 JUNE 2003

	2003	2002
	RMB'000	RMB'000
OPERATING ACTIVITIES		
Profit before taxation	13,066	47,879
Adjustment for:		
Interest income	(54)	(122)
Interest expenses	456	511
Loans payable waived	–	(22)
Depreciation of fixed assets	1,228	950
Amortisation of software development costs	4,945	4,946
Goodwill written off	–	22
Impairment loss on investment securities	16,324	–
Impairment loss on software development costs	–	6,000
Loss recognised for impairment in value of fixed assets	–	222
Loss on disposal of fixed assets	43	38
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OPERATING PROFIT BEFORE CHANGES IN WORKING CAPITAL	36,008	60,424
Increase in inventories	(10,385)	(1,082)
Increase in prepayments, deposits and other current assets	(47,857)	(377)
Increase in trade receivables	(17,778)	(13,634)
Increase in trade payables	28,522	6,454
Increase in bills payable	51,416	–
(Decrease)/increase in accruals and other payables	(3,252)	2,658
Decrease in warranty provision	(57)	(6,862)
Increase in receipts in advance	5,231	775
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CASH GENERATED FROM OPERATIONS	41,848	48,356
TAX PAID		
PRC enterprise income tax paid	(2,246)	(1,659)
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NET CASH FROM OPERATING ACTIVITIES	39,602	46,697
INVESTING ACTIVITIES		
Interest received	54	122
Additions of fixed assets	(839)	(952)
Proceeds from disposal of fixed assets	8	295
Increase in property under development	(56,405)	(11,886)
Increase in pledged time deposit	(6,834)	–
Increase in software development costs	–	(6,927)
Decrease in other receivable	–	17,490
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NET CASH USED IN INVESTING ACTIVITIES	(64,016)	(1,858)

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TECHWAYSON HOLDINGS LIMITED / FOR THE YEAR ENDED 30 JUNE 2003

	2003 RMB'000	2002 <i>RMB'000</i>
FINANCING ACTIVITIES		
New loans payable	30,000	2,000
Repayment of loan	(2,384)	(32,860)
Interest paid	(683)	–
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NET CASH FROM/(USED IN) FINANCING ACTIVITIES	26,933	(30,860)
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INCREASE IN CASH AND BANK DEPOSITS	2,519	13,979
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CASH AND BANK DEPOSITS, BEGINNING OF YEAR	70,547	56,568
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CASH AND BANK DEPOSITS, END OF YEAR	73,066	70,547
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