

Consolidated Cash Flow Statement

For the year ended 31 December 2003

NOTES	2003 RMB'000	2002 RMB'000
Operating activities		
Profit before taxation	199,242	156,058
Adjustments for:		
Share of results of an associate	94	–
Share of results of jointly controlled entities	2,298	–
Loss on disposal of property, plant and equipment	3,097	1,196
Deficit on revaluation of property, plant and equipment	–	113
Depreciation of property, plant and equipment	52,371	23,853
Allowance for bad and doubtful debts	918	1,103
Allowance for inventories	1,260	–
Amortisation of intangible assets	3,706	906
Gain on disposal of a subsidiary	(718)	–
Release of negative goodwill	(226)	(96)
Interest income	(3,093)	(5,189)
Interest expenses	24,034	13,851
Operating cash flows before movements in working capital	282,983	191,795
Increase in inventories	(12,371)	(6,927)
Increase in trade and other receivables	(102,479)	(17,272)
Increase in amounts due from customers for contract work	(58,401)	(38,105)
Increase in amount due from an associate	(3,180)	–
Increase in amount due from a jointly controlled entity	(265)	–
Increase in amounts due from related companies	(5,088)	(12,609)
Increase in trade and other payables	43,354	52,139
Increase in amounts due to customers for contract work	74,558	29,272
Increase in amount due to a jointly controlled entity	750	–
(Decrease) increase in amounts due to related companies	(13,705)	5,200
Cash generated from operating activities	206,156	203,493
Interest received	3,093	5,189
Interest paid	(24,034)	(13,851)
PRC enterprise income tax paid	(10,390)	(6,495)
Net cash from operating activities	174,825	188,336

	NOTES	2003 RMB'000	2002 RMB'000
Investing activities			
Purchase of property, plant and equipment		(692,816)	(420,361)
Acquisition of subsidiaries	31	(45,140)	(6,532)
Investment in a jointly controlled entity		(21,903)	(2,500)
Acquisition of an associate		(10,488)	–
Acquisition of exclusive rights of operation		(8,000)	(5,000)
Acquisition of additional interests in subsidiaries		(4,476)	–
Investment in securities		(1,000)	–
Proceeds from disposal of property, plant and equipment		304	–
Disposal of a subsidiary	32	3,124	–
Net cash used in investing activities		(780,395)	(434,393)
Financing activities			
Proceeds from shares issued		–	355,630
Shares issue expenses		–	(13,083)
Contribution from minority shareholders		50,821	8,294
Dividends paid to minority shareholders		(10,331)	–
Advances from minority shareholders		8,000	43,418
Repayments of advances from minority shareholders		(75,053)	–
Repayment of loans from minority shareholders		(40,974)	–
New bank loans raised		679,942	423,319
Repayment of bank loans		(151,242)	(122,457)
Net cash from financing activities		461,163	695,121
Net (decrease) increase in cash and cash equivalents		(144,407)	449,064
Cash and cash equivalents at beginning of the year		631,536	182,472
Cash and cash equivalents at end of the year		487,129	631,536
Analysis of the balances of cash and cash equivalents:			
Bank balances and cash		487,129	631,536