

# Consolidated Cash Flow Statement

For the year ended 31st December 2003

	2003 RMB'000	2002 RMB'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	31,834	156,280
Adjustments for:		
Loss on disposal of a subsidiary	—	20,382
Share of results of a jointly controlled entity	(24,288)	(20,388)
Interest income from bank deposits	(4,351)	(7,598)
Interest income from a jointly controlled entity	—	(2,016)
Dividend income from investment securities	—	(1,088)
Depreciation and amortisation of fixed assets	4,911	27,135
Amortisation of goodwill	2,577	—
Interest expenses	6,023	2,286
Loss on disposal of fixed assets	248	23
Allowance for doubtful debts	127	—
Recognised impairment losses of fixed assets	36	—
Operating cash flows before movements in working capital	17,117	175,016
Increase in inventories	(14)	(54)
Decrease (increase) in properties held for sale	133,121	(125,943)
Decrease (increase) in account receivables, other receivables and prepaid expenses	50,815	(422,411)
(Increase) decrease in amount due from a jointly controlled entity	(4,366)	21,122
Decrease in amount due from a fellow subsidiary	—	2,815
(Decrease) increase in payables and accrued charges	(60,270)	155,976
Cash generated from (used in) operations	136,403	(193,479)
PRC Enterprise Income Tax paid	(7,297)	(13,406)
Interest paid	(12,311)	(2,286)
<b>NET CASH GENERATED FROM (USED IN) OPERATING ACTIVITIES</b>	<b>116,795</b>	<b>(209,171)</b>

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For the year ended 31st December 2003

	Note	2003 RMB'000	2002 RMB'000
<b>NET CASH GENERATED FROM (USED IN)</b>			
<b>OPERATING ACTIVITIES</b>			
		116,795	(209,171)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Disposal of a subsidiary (net of cash and cash equivalent disposed of)		—	898,705
Dividend received from a jointly controlled entity		—	12,266
Interest received		4,351	11,557
Dividend received from investment securities		—	1,088
Repayment from (advance to) a construction contractor		360,000	(360,000)
Deposits paid for acquisition of subsidiaries		(391,100)	(360,994)
Refund of (payment for) an investment project		94,380	(94,380)
Acquisition of subsidiaries	32	(33,162)	—
Repayment from a jointly controlled entity		—	44,477
Purchase of fixed assets		(161,720)	(12,690)
Proceeds from fixed assets		205	—
Increase in bank deposits with maturity terms over three months		(58,720)	—
<b>NET CASH (USED IN) GENERATED FROM INVESTING ACTIVITIES</b>			
		(185,766)	140,029
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
New bank loans raised		425,000	120,000
Pledged bank deposits released		—	63,636
Advance from ultimate holding company		—	8,786
Repayment of bank loans borrowed		(120,000)	(80,000)
Bank deposits pledged		(46,072)	—
Capital contribution from minority shareholders of a subsidiary		49,000	—
<b>NET CASH GENERATED FROM FINANCING ACTIVITIES</b>			
		307,928	112,422
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>			
		238,957	43,280
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>			
		486,308	443,028
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>			
	33	725,265	486,308