

COMBINED CASH FLOW STATEMENT

For the year ended 31 December 2005

Notes	2005 RMB'000	2004 RMB'000
Operating activities		
Profit before taxation	199,272	50,385
Adjustments for:		
Interest income	(22,066)	(1,664)
Interest expenses	63,354	70,199
Dividend income	–	(1,930)
Share of results of associates	622	–
Depreciation of property, plant and equipment	42,260	39,593
Depreciation of investment properties	3,356	3,947
Operating lease rentals in respect of land use rights	7,465	9,475
Impairment loss of goodwill	–	2,635
Discount on acquisitions credited to income	(249)	(6,630)
Loss on disposal of property, plant and equipment	98	907
Gain on disposal of subsidiaries	–	(5,924)
Gain on disposal of interests in associates	(37)	–
Gain on disposal of investments	–	(749)
Realised loss on investments	83,958	–
Operating cash flows before movements in working capital	378,033	160,244
Increase in inventories	(10,396)	(11,590)
(Increase) decrease in trade and other receivables	(715,433)	38,032
(Increase) decrease in amounts due from related parties	(173)	3
Increase (decrease) in trade and other payables	616,602	(4,901)
Cash from operations	268,633	181,788
PRC income tax paid	(69,216)	(14,455)
Net cash from operating activities	199,417	167,333
Investing activities		
Interest received	1,717	1,664
Dividends received	–	1,930
Repayments from (advances to) fellow subsidiaries	39,367	(79,286)
Purchase of property, plant and equipment	(12,185)	(41,336)
Purchase of investment properties	–	(305)
Proceeds from disposal of property, plant and equipment	4,097	1,130
Acquisition of subsidiaries (net of cash and cash equivalents acquired)	29 (14,293)	(57,069)
Acquisition of additional interest in subsidiaries	(16,363)	–
Proceeds from disposal of subsidiaries (net of cash and cash equivalents disposed of)	30 –	2,931
Proceeds from transfer-out of subsidiaries (net of cash and cash equivalents transferred out)	30 (22,036)	–
Purchase of an associate	–	(1,400)
Proceeds from disposal of investment in an associate	1,437	–
Purchases of investments	(145,998)	(143,799)
Proceeds from disposal of investments	–	15,014
Deposits paid for acquisition of investee companies	(43,000)	(318,500)
Deposit for acquisition of properties	(54,000)	–
Net cash used in investing activities	(261,257)	(619,026)

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For the year ended 31 December 2005

	2005 <i>RMB'000</i>	2004 <i>RMB'000</i>
Financing activities		
Interest paid	(61,504)	(69,774)
Capital contributions from minority owners of subsidiaries	–	161,348
Advances from fellow subsidiaries	92,103	157,881
Advances from related parties	–	497
New bank loans raised	1,145,728	1,135,700
Repayment of bank loans	(1,035,090)	(926,256)
Net cash from financing activities	141,237	459,396
Net increase in cash and cash equivalents	79,397	7,703
Cash and cash equivalents at the beginning of the year	140,171	132,468
Cash and cash equivalents at the end of the year	219,568	140,171
Analysis of the balances of cash and cash equivalents:		
Bank balances and cash	219,568	140,171