

Cash Flow Statement

For the Year Ended 31 December 2000 (Prepared under PRC Accounting Principles)

2000
RMB

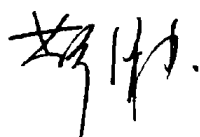
Items

1.	Cash flow from operating activities	
	Cash received from sales of goods and service income	867,636,829.16
	Rental income received	1,287,520.90
	Tax return refund received	24,149,839.09
	Cash received from other operations	27,161,937.24
	Cash inflow sub-total	920,236,126.39
	Cash paid on purchase of goods and service	473,168,807.46
	Cash paid for rental on operations	—
	Cash paid to staff and paid on behalf of staff	119,440,724.59
	Value added tax paid	39,403,696.46
	Income tax paid	1,680,062.04
	Other tax paid	7,910,202.46
	Cash paid on other operations	103,102,493.47
	Cash outflow sub-total	744,705,986.48
	Net cash flow from operating activities	175,530,139.91
2.	Cash flow from investing activities	
	Cash received from investment	109,967,342.00
	Cash received from payment of dividends or profits	—
	Cash received from Interest gained from debentures—	—
	Cash proceeds on the disposal of fixed assets, intangible assets and other long term assets	33,134.50
	Cash received from lendings to other—	
	Other Cash amounts received from investing activities	7,987,589.27
	Cash inflow sub-total	117,988,065.77
	Cash paid on purchase of fixed assets, intangible assets and other long term assets	36,675,738.48
	Cash paid to equity investment	73,512,462.34
	Cash paid on debenture investment	50,000,000.00
	Other cash amounts paid on investing activities	—

	Cash outflow sub-total	160,188,200.82
	Net cash flow from investing activities	(42,200,135.05)
3.	Cash flow from financing activities	—
	Cash received from equity investment	—
	Cash received from issue of debentures	—
	Cash received from loans	85,000,000.00
	Cash received from other financing activities	—
	Cash received from other financing activities	2,461,589.00
	Cash inflow sub-total	87,461,589.00
	Cash paid on repayment of loans	48,000,000.00
	Cash paid on financing activities	—
	Cash paid for interest	24,734,401.42
	Cash paid on financing rental	—
	Cash paid on reducing registered capital	—
	Other cash amounts paid on financing activities	—
	Cash outflow sub-total	72,734,401.42
	Cash flow from financing activities	14,727,187.58
		2000
		RMB
Items		
4.	Effect of changes in exchange rate on cash	—
5.	Net increase (decrease) in cash and cash equivalent	148,057,192.44
1.	Non cash income and expenses to investing and financing activities	—
2.	Reconciliation of operating profit to net cash flow from operating activities	
	Net profit	3,259,076.08
	Add: Provision for or write off of bad debts	(710,096.41)
	Depreciation of fixed assets	42,391,754.30
	Amortization for intangible assets	1,006,621.97
	Decrease in deferred expenses (less: increase)	1,651,112.75
	Increase in accruals (less: decrease)	7,102,196.47
	Loss on diminution in inventory value	1,413,128.56
	Financial expenses	24,734,401.42
	Loss in investment (less: income)	(4,768,853.42)

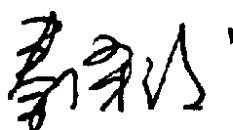
Decrease in inventories (less: increase)	65,695,562.49
Decrease in accounts receivable (less: increase)	11,835,463.24
Increase in accounts payable (less: decrease)	21,812,924.49
Loss on disposal of fixed assets, intangible assets and other long term assets	106,847.97
Net cash flow from operating activities	175,530,139.91
3. Net increase in cash and cash equivalent	
Balance as at the end of the period	720,109,955.24
Less: balance at the beginning of the period	572,052,762.80
Net increases in cash and cash equivalent	148,057,192.44

(The accompanying notes form an integral part of these financial statements)



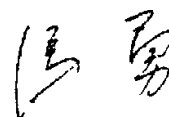
法定代表人

Authorised representative



總會計師

Chief Accountant



會計主管

Accounting Manager