

Consolidated Cash Flow Statement

For the year ended 31st December, 2001

| | Notes | 2001 RMB'000 | 2000 RMB'000 |
|--|-------|-----------------|-----------------|
| NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES | 24 | 84,504 | (3,737) |
| RETURNS ON INVESTMENTS AND SERVICING OF FINANCE | | | |
| Dividends paid | | (29,526) | (27,193) |
| Interest paid on bank and other loans | | (14,291) | (8,551) |
| Interest received | | 2,868 | 3,329 |
| NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE | | (40,949) | (32,415) |
| TAXATION | | | |
| PRC income tax refund (paid) | | 6,000 | (15,068) |
| INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | | (70,392) | (86,856) |
| (Increase) decrease in pledged bank deposits | | (1,516) | 247 |
| Increase in amounts due from directors | | (366) | (344) |
| Purchase of patents | | – | (662) |
| NET CASH OUTFLOW FROM INVESTING ACTIVITIES | | (72,274) | (87,615) |
| NET CASH OUTFLOW BEFORE FINANCING ACTIVITIES | | (22,719) | (138,835) |
| FINANCING ACTIVITIES | 25 | | |
| New bank and other loans raised | | 206,220 | 164,820 |
| Repayment of bank and other loans | | (145,220) | (89,900) |
| Funds contributed by minority shareholders | | – | 276 |
| NET CASH INFLOW FROM FINANCING ACTIVITIES | | 61,000 | 75,196 |
| INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | | 38,281 | (63,639) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR | | 56,749 | 120,388 |
| CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank balances and cash | | 95,030 | 56,749 |