

# Consolidated Cash Flow Statement

For the year ended 31 December 2006

	NOTES	2006 RMB'000	2005 RMB'000
Operating activities			
Profit before taxation		361,888	199,272
Adjustments for:			
Interest income		(61,912)	(22,066)
Interest expenses		40,333	63,354
Dividend income		—	—
Share of results of associates		—	622
Impairment loss recognised in respect of trade and other receivables		62	—
Depreciation of property, plant and equipment		38,543	42,260
Depreciation of investment properties		—	3,356
Operating lease rentals in respect of land use rights		1,504	7,465
Discount on acquisitions credited to income		—	(249)
Loss on disposal of property, plant and equipment		630	98
Gain on disposal of interests in associates		—	(37)
Changes on fair value of derivative financial instruments		24,816	—
Equity-settled share-based payments expenses		5,405	—
Realised loss on investments		—	83,958
Foreign exchange gains arising from convertible bonds		(10,069)	—
Operating cash flows before movements in working capital		401,200	378,033
Increase in inventories		(11,829)	(10,396)
Increase in trade and other receivables		(10,237)	(715,433)
Increase in amounts due from related parties		—	(173)
Increase in trade and other payables		225,503	616,602
Cash generated from operations		604,637	268,633
PRC income tax paid		(105,420)	(69,216)
Net cash generated by operating activities		499,217	199,417
Investing activities			
Interest received		82,261	1,717
Repayments from fellow subsidiaries		650,334	39,367
Purchase of property, plant and equipment		(362,893)	(12,185)
Proceeds from disposal of property, plant and equipment		68	4,097
Acquisition of subsidiaries (net of cash and cash equivalents acquired)	31	—	(14,293)
Acquisition of additional interest in subsidiaries		4,000	(16,363)
Proceeds from transfer-out of subsidiaries (net of cash and cash equivalents transferred out)	32	—	(22,036)
Proceeds from disposal of investment in an associate		—	1,437
Purchase of available-for-sale investments		(21,033)	—
Purchases of investments		—	(145,998)
Deposits paid for acquisition of a subsidiary		(331,556)	(43,000)
Deposit for acquisition of property, plant and equipment		(5,000)	(54,000)
Net cash from (used in) investing activities		8,181	(261,257)

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For the year ended 31 December 2006

	NOTES	2006 RMB'000	2005 RMB'000
Financing activities			
Proceeds from issue of new shares upon listing of the Company's shares on the Stock Exchange		419,513	—
Payment of transaction costs attributable to issue of new shares		(15,920)	—
Proceeds on issue of convertible bonds		1,015,000	—
Payment of transaction costs attributable to issue of convertible bonds		(22,837)	—
Interest paid		(25,153)	(61,504)
Advances from fellow subsidiaries		1,425	92,103
New bank loans raised		145,000	1,145,728
Repayment of bank loans		(1,076,800)	(1,035,090)
Dividends paid to equity holders of the Company		(67,960)	—
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Net cash from financing activities		372,268	141,237
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Net increase in cash and cash equivalents		879,666	79,397
Cash and cash equivalents at the beginning of the year		219,568	140,171
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Cash and cash equivalents at the end of the year		1,099,234	219,568
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Analysis of the balances of cash and cash equivalents:			
Bank balances and cash		1,099,234	219,568
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