

(For the year ended 31st December 2004)

	Note	2004 RMB'000	2003 RMB'000
Cash flows from operating activities			
Net cash inflow generated from operations	29(a)	83,290	26,101
Interest received		902	957
Interest paid		(6,512)	(4,387)
Income tax paid		(3,987)	–
Net cash inflow from operating activities		73,693	22,671
Cash flows from investing activities			
Acquisition of property, plant and equipment		(34,826)	(18,525)
Refund of deposit for acquisition of land		5,000	–
Increase in product development costs		(3,561)	(6,216)
Increase in investment securities		–	(200)
Advance to an employee		(2,506)	–
Repayment of advance to an employee		2,506	–
Repayment of loans receivable		–	10,000
Increase in pledged bank deposits		(31,800)	–
Decrease in amount due from a director		–	11,560
Net cash outflow from investing activities		(65,187)	(3,381)
Net cash inflow before financing activities		8,506	19,290
Cash flow from financing activities	29(b)		
Proceeds from issue of shares		168,222	–
Share issuance costs		(21,225)	(3,464)
Addition of short-term bank loans		112,471	57,900
Repayment of short-term bank loans		(89,100)	(21,300)
(Decrease)/Increase in amounts due to directors		(331)	2,136
Repayment of long-term bank loans		(36,000)	(5,000)
Addition of other borrowings		–	5,600
Repayment of other borrowings		–	(1,000)
Capital contribution from a minority shareholder		300	–
Net cash inflow from financing activities		134,337	34,872
Increase in cash and cash equivalents		142,843	54,162
Cash and cash equivalents at 1st January		65,880	11,718
Cash and cash equivalents at 31st December	29(c)	208,723	65,880