

Consolidated Cash Flow Statement

Year ended 31 December 2005

	Notes	2005 RMB'000	2004 RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit from operations before income tax		406,160	252,920
Adjustments for:			
Share of profit of an associate		(522)	(449)
Interest income	6	(14,828)	(5,778)
Excess over the cost of business combinations	4	(3,498)	—
Interest expenses	6	4,614	1,946
Depreciation and amortisation	5	64,055	52,070
Exchange losses	6	1,769	818
Allowance for doubtful debts	5	1,145	5,526
Loss on disposal of fixed assets		324	2,340
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Operating profit before working capital changes		459,219	309,393
Increase in other financial assets		(72,629)	—
Decrease/(increase) in inventories		(11,761)	328
Decrease/(increase) in trade receivables		6,327	(6,891)
Decrease/(increase) in prepayments, deposits and other receivables		178,916	(63,932)
Decrease in amounts due from related parties		—	80
Increase in trade payables		123,116	24,141
Decrease in customers' deposits, other payables and accruals		(59,335)	(26,125)
Increase in amounts due to related parties		—	1,323
Increase in long-term payables		2,375	5,393
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Cash generated from operating activities		626,228	243,710
Interest paid		(4,614)	(1,946)
Income tax paid		(100,601)	(71,101)
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Net cash inflow from operating activities		521,013	170,663
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	Notes	2005 RMB'000	2004 RMB'000
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of items of property, plant and equipment		736	6,244
Purchases of items of property, plant and equipment		(43,761)	(31,680)
Purchases of intangible assets		—	(3,277)
Acquisition of businesses	20(iii)	30,170	—
Acquisition of jointly-controlled entities	20(ii)	6,767	—
Acquisition of minority interests	12(ii)	(74,800)	—
Equity transactions with the owner	1	179,163	—
Net decrease/(increase) in investments		74,864	(29,977)
Increase in an investment in an associate		(520)	—
Decrease in non-trade related amounts due from related parties		85,169	80,797
Decrease/(increase) in non-trade related other receivables		26,898	(49,724)
Dividends received		470	323
Interest received		14,828	5,778
Net cash inflow/(outflow) from investing activities		299,984	(21,516)
CASH FLOWS FROM FINANCING ACTIVITIES			
New bank loans		229,200	33,600
Repayment of bank loans and other loans		(145,332)	(18,245)
Decrease in non-trade related amounts due to related parties		(67,919)	(86,344)
Cash contribution from owners		—	9,000
Capital contribution from a minority shareholder		—	9,000
Net proceeds from issuance of new shares upon listing		1,074,065	—
Distribution to owners	38A(iii)	(4,139)	—
Appropriation to owners	38A(v)	(229,477)	(12,588)
Net cash inflow/(outflow) from financing activities		856,398	(65,577)
NET INCREASE IN CASH AND CASH EQUIVALENTS		1,677,395	83,570
Cash and cash equivalents at beginning of year		408,522	322,971
Exchange differences		(5,510)	1,981
CASH AND CASH EQUIVALENTS AT END OF YEAR		2,080,407	408,522
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	26	973,345	408,522
Non-pledged time deposits with original maturity of less than three months when acquired	26	1,107,062	—
		2,080,407	408,522