

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 March 2006

(Expressed in Renminbi)

	Note	2006		2005	
		RMB'000	RMB'000	RMB'000	RMB'000
Operating activities					
Profit before taxation		285,053		196,787	
Adjustments for:					
Finance costs		23,138		5,125	
Interest income		(8,560)		(291)	
Depreciation and amortisation		45,526		26,062	
Loss on disposal of property, plant and equipment		535		–	
Impairment loss/(reversal of impairment loss) for trade and other receivables		450		(70)	
		<u>346,142</u>		<u>227,613</u>	
Operating profit before changes in working capital					
		346,142		227,613	
Increase in inventories		(12,361)		(1,588)	
Increase in trade and other receivables		(10,282)		(16,032)	
Increase in trade and other payables		34,067		6,620	
		<u>357,566</u>		<u>216,613</u>	
Cash generated from operations					
		357,566		216,613	
Tax paid					
PRC income tax paid		(46,111)		(11,694)	
		<u>311,455</u>		<u>204,919</u>	
Net cash generated from operating activities			311,455		204,919
Investing activities					
Payments for purchases of fixed assets		(677,816)		(362,110)	
Payments for deposits in respect of:					
– purchases of property, plant and equipment		(8,795)		(9,901)	
– acquisition of leasehold land		(169,072)		–	
– acquisition of a subsidiary		(7,200)		–	
Receipt of amount previously paid in respect of cancellation of purchase of a property		–		15,127	
Increase in pledged bank deposits		(116,441)		–	
Interest received		6,930		291	
		<u>(972,394)</u>		<u>(356,593)</u>	
Net cash used in investing activities			(972,394)		(356,593)

	Note	2006		2005	
		RMB'000	RMB'000	RMB'000	RMB'000
Financing activities					
New bank loans raised		260,000		91,000	
Repayment of bank loans		(142,345)		(13,400)	
Proceeds from issuance of convertible notes/bonds		601,968		16,536	
Repayment of other loan payable		(24,336)		–	
Proceeds from issuance of shares under placing, public offer and exercise of over-allotment option		–		377,890	
Payment of share issue expenses		–		(33,801)	
Decrease in amount due to a director		–		(2,248)	
Interest paid		(8,537)		(4,545)	
Dividends paid to equity shareholders of the Company		(52,153)		–	
Net cash generated from financing activities			634,597		431,432
Net (decrease)/increase in cash and cash equivalents			(26,342)		279,758
Cash and cash equivalents at 1 April			313,539		33,781
Effect of foreign exchange rate changes			(5,453)		–
Cash and cash equivalents at 31 March	21		281,744		313,539

The notes on pages 42 to 84 form part of these financial statements.