

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

FOR THE SIX MONTHS ENDED 30 JUNE 2006

	Six months ended 30 June	
	2006 (unaudited) RMB'000	2005 (audited) RMB'000
<b>Net cash from (used in) operating activities</b>	<u>50,019</u>	<u>(5,885)</u>
<b>Investing activities</b>		
Purchase of property, plant and equipment	(10,184)	(2,087)
Increase in prepaid lease payments	(6,446)	–
Proceeds from disposal of property, plant and equipment	359	–
Other investing cash flows	<u>(1,755)</u>	<u>281</u>
Net cash used in investing activities	<u>(18,026)</u>	<u>(1,806)</u>
<b>Financing activities</b>		
Repayments of bank borrowings	(114,004)	(41,052)
Net proceeds from issue of new shares	75,862	–
Proceeds from bank borrowings	45,439	48,078
Other financing cash flows	<u>(1,808)</u>	<u>12,374</u>
<b>Net cash from financing activities</b>	<u>5,489</u>	<u>19,400</u>
<b>Net increase in cash and cash equivalents</b>	37,482	11,709
<b>Effect of foreign exchange rate changes</b>	79	–
<b>Cash and cash equivalents at beginning of the period</b>	<u>21,999</u>	<u>5,650</u>
<b>Cash and cash equivalents at end of the period, representing bank balances and cash</b>	<u><u>59,560</u></u>	<u><u>17,359</u></u>