

Consolidated Cash Flow Statement

(All amounts in Renminbi thousands unless otherwise stated)

	Note	Year ended 31 December	
		2006	2005
Cash flows from operating activities			
Cash generated from operations	33	217,030	145,144
Interest paid		(70)	(517)
Income tax paid		(6,836)	(4,104)
Net cash generated from operating activities		210,124	140,523
Cash flows from investing activities			
Purchase of property, plant and equipment ("PPE")		(53,431)	(18,884)
Proceeds from sale of PPE	33	393	1,516
Payments for lease prepayments		(2,584)	–
Additions of intangible assets		(55,753)	(39,128)
Investment in an associate		–	(100)
Disposal of equity interest in a subsidiary, net of cash paid		–	(196)
Pledged bank deposits		(1,793)	(5,000)
Short-term bank deposits withdrawn/(placed)		14,936	(39,569)
Interest received		2,951	1,330
Net cash used in investing activities		(95,281)	(100,031)
Cash flows from financing activities			
Proceeds from issuance of shares	17	15,795	511
Proceeds from borrowings		57,150	61,000
Repayments of borrowings		(50,000)	(55,000)
Dividends paid to the Company's shareholders		(20,843)	(18,810)
Net cash generated from/(used in) financing activities		2,102	(12,299)
Net increase in cash and cash equivalents			
Cash and cash equivalents at beginning of year	16	242,053	214,719
Exchange losses on cash and cash equivalents		(153)	(859)
Cash and cash equivalents at end of year	16	358,845	242,053

The notes on pages 44 to 73 are an integral part of these consolidated financial statements.