

Consolidated Cash Flow Statement

For the year ended 31 December 2006

Notes	2006 RMB'000	2005 RMB'000
Cash flows from operating activities		
Profit before income tax	23,421	48,604
Adjustments for:		
Depreciation of fixed assets	748	702
Depreciation of investment properties	95	—
Amortisation of prepaid premium for land leases	83	—
Loss on disposals of fixed assets	29	75
(Overprovision)/provision for trade deposits	(943)	393
Provision for trade receivables	1,195	536
Provision for other receivables	227	192
Amortisation of discounts on the convertible bond	755	536
Share of (profit)/loss of associated company	(398)	454
Employee share option benefits	1,197	—
Exchange realignment	(840)	—
Interest income	(745)	(128)
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Operating profit before changes in working capital	24,824	51,364
Increase in trade receivables	(21,050)	(14,748)
Increase in trade deposits	(11,738)	(1,310)
(Increase)/decrease in prepayments and other deposits	(4,717)	772
Increase in other receivables	(1,336)	(775)
Decrease in deferred expenses	180	326
Increase/(decrease) in accrued expenses and other payables	12,436	(1,080)
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Cash (used in)/generated from operations	(1,401)	34,549
Interest received	745	128
PRC enterprise income tax paid, net	(3,689)	(7,659)
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Net cash (used in)/generated from operating activities	(4,345)	27,018
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Consolidated Cash Flow Statement

For the year ended 31 December 2006

	Notes	2006 RMB'000	2005 RMB'000
Cash flows from investing activities			
Purchases of fixed assets		(1,582)	(250)
Deposits made for investment properties		(132)	(8,324)
Sale proceeds from disposal of fixed assets		148	—
Investment in associated company		—	(726)
Advances to associated company		—	(602)
Purchase of subsidiaries	30	2,776	—
Net cash generated from/(used in) investing activities		1,210	(9,902)
Cash flows from financing activities			
Proceeds from issuing shares		54,590	—
Share issuance costs		(8,648)	(3,381)
Proceeds from issuing convertible bond		—	26,026
Dividends paid		(10,000)	(23,786)
Net cash generated from/(used in) financing activities		35,942	(1,141)
Net increase in cash and cash equivalents		32,807	15,975
Cash and cash equivalents at beginning of year		34,402	18,427
Cash and cash equivalents at end of year	25	67,209	34,402

The notes on pages 40 to 80 form an integral part of these financial statements.