

Combined Cash Flow Statement

For the year ended 31 December 2006

	NOTES	2006 RMB'000	2005 RMB'000
Operating activities			
Profit before taxation		142,971	71,938
Adjustments for:			
Profit from discontinued operations		—	261
Interest income		(600)	(407)
Interest expenses		1,226	589
Depreciation		26,860	17,354
Operating lease rentals in respect of prepaid lease payments		871	527
Loss on disposal of property, plant and equipment		2,009	873
Increase in fair value of investment properties		—	(676)
Discount on acquisition of a subsidiary		(387)	—
Operating cash flows before movements in working capital		172,950	90,459
Increase in inventories		(5,819)	(593)
Increase in trade and other receivables		(17,489)	(15,533)
Increase in trade and other payables		6,474	28,244
Cash generated from operations		156,116	102,577
Tax paid		(18,925)	(10,053)
Net cash generated from operating activities		137,191	92,524
Investing activities			
Interest received		600	407
Purchase of property, plant and equipment		(73,587)	(58,160)
Proceeds from disposal of property, plant and equipment		83	2
Proceeds from disposal of investment properties		2,950	—
Additions of prepaid lease payments		(449)	(3,115)
Purchase of available-for-sale investments		(1,648)	—
Purchase of additional interests in subsidiaries		(1,500)	—
Purchase of a subsidiary (net of cash and cash equivalents acquired)	34	5,580	—
Repayment from (advances made to) related parties		25,132	(41,623)
Repayment from a director		97	3,484
Repayment from shareholders		1,956	8,793
Net cash outflow from the disposal of discontinued operations	35	—	(190)
Net cash used in investing activities		(40,786)	(90,402)

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For the year ended 31 December 2006

	NOTES	2006 RMB'000	2005 RMB'000
Financing activities			
Dividends paid		(105,880)	(35,221)
Interest paid		(1,226)	(589)
Proceeds from issue of shares of a subsidiary		9	—
Capital contributions of subsidiaries		—	28,313
Advance from (repayment to) related companies		5,340	(37,968)
(Repayment to) advance from directors		(68,553)	58,529
Advance from shareholders		3,906	—
Bank loans raised		111,000	15,600
Repayment of bank loans		(6,789)	(12,856)
Net cash (used in) generated from financing activities		(62,193)	15,808
Increase in cash and cash equivalents		34,212	17,930
Cash and cash equivalents at 1 January		73,121	55,537
Effect of foreign exchange rate changes		(1,255)	(346)
Cash and cash equivalents at 31 December		106,078	73,121
Analysis of the balances of cash and cash equivalents			
Bank balances and cash		107,473	73,121
Bank overdrafts		(1,395)	—
		106,078	73,121