

Consolidated Cash Flow Statement

For the year ended 31 December 2006

	2006 RMB'000	2005 RMB'000
Operating activities		
Profit before taxation	337,341	226,793
Adjustments for:		
– Write back of deficit on revaluation of property, plant and equipment	–	(1,991)
– Depreciation	31,142	31,057
– Finance costs	31,213	23,085
– Interest income from bank deposits	(64,708)	(570)
– Impairment losses on trade and other receivables made/(written back)	22	(2,158)
– Loss on disposal of property, plant and equipment	941	1,008
– Amortisation of lease prepayments	329	254
– Amortisation of intangible assets	10,811	10,938
– Dividend income from unlisted securities	–	(2,100)
Operating profit before changes in working capital	347,091	286,316
Increase in inventories	(142,741)	(95,444)
Increase in trade and other receivables, deposits and prepayments	(41,605)	(10,101)
Decrease in amount due from a fellow subsidiary	–	15,751
Increase/(decrease) in trade and other payables	110,672	(42,376)
Cash generated from operations	273,417	154,146
PRC income tax paid	(100,205)	(90,767)
Net cash generated from operating activities	173,212	63,379

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For the year ended 31 December 2006

	Note	2006 RMB'000	2005 RMB'000
Investing activities			
Interest received		55,041	570
Increase in restricted deposits		(526,439)	–
Payment for purchase of property, plant and equipment		(51,945)	(20,362)
Proceeds from sales of property, plant and equipment		1,188	3,453
Payment for construction in progress		(156,814)	(86,422)
Payment for purchase of net assets	34	(82,199)	–
Payment for acquisition of subsidiaries	35	–	(16,473)
Payment for purchase of land use rights		–	(178)
Payment for purchase of intangible assets		(28,828)	(10,188)
Payment for investments deposits		(460,162)	–
Dividends received from other investments		–	3,000
Net cash used in investing activities		(1,250,158)	(126,600)
Financing activities			
Proceeds from issuance of shares by placing and public offer	31(a)	936,737	–
Listing expenses	31(a)	(71,358)	–
Decrease in pledged deposits		–	20,045
Proceeds from new bank loans		875,000	687,150
Repayment of bank loans		(342,150)	(579,750)
Proceeds from other loan		–	3,270
Interest paid		(30,259)	(27,239)
Dividends paid		(61,620)	–
Capital contributions from minority interests		–	1,100
Net cash from financing activities		1,306,350	104,576
Net increase in cash and cash equivalents		229,404	41,355
Cash and cash equivalents at 1 January		117,861	76,506
Cash and cash equivalents at 31 December	27	347,265	117,861

The notes on pages 55 to 120 form part of these financial statements.