

# Consolidated Cash Flow Statement

For the year ended 31 December 2008

	Note	2008 RMB'000	2007 RMB'000
<b>OPERATING ACTIVITIES</b>			
Profit before taxation		282,858	233,396
Adjustments for:			
Finance costs		19,614	17,186
Interest income		(3,923)	(7,439)
Loss on disposal of available-for-sale investment		3,070	—
Dividends from available-for-sale investment		(278)	—
Loss on disposal of property, plant and equipment		338	—
Depreciation of property, plant and equipment		17,450	13,200
Release of prepaid lease payments		1,813	1,026
Amortisation of intangible assets		52,684	22,699
Share-based payment expenses		6,945	17,240
Allowance for doubtful debts		672	1,223
Write-down of inventories		—	1,027
Operating cash flows before movements in working capital		381,243	299,558
Increase in inventories		(101,827)	(12,871)
Increase in trade and other receivables		(149,933)	(156,502)
Increase (decrease) in trade and other payables		192,804	(29,758)
Cash generated from operations		322,287	100,427
Income tax paid		(14,719)	(6,893)
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>307,568</b>	93,534
<b>INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(217,160)	(88,967)
Payment for contingent consideration payable for the acquisition of subsidiaries in prior year		(129,000)	—
Acquisition of subsidiaries (net of cash and cash equivalents acquired)	29	(47,749)	(74,419)
Expenditure on development projects		(27,612)	(16,712)
Purchase of available-for-sale investment		(20,333)	—
Dividends received from available-for-sale investment		278	—
Interest received		3,923	7,439
Decrease (increase) in pledged bank deposits		7,740	(6,481)
Proceeds on disposal of available-for-sale investment		17,263	—
Repayment of advances to related parties		32,482	—
Proceeds on disposal of property, plant and equipment		—	70
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(380,168)</b>	(179,070)

## Consolidated Cash Flow Statement (Continued)

For the year ended 31 December 2008

	2008 RMB'000	2007 RMB'000
<b>FINANCING ACTIVITIES</b>		
Repayment of borrowings	(127,474)	(278,945)
Dividends paid	(66,867)	(49,297)
Interest paid on borrowings	(30,280)	(18,554)
Shares repurchased under share award plan	(16,902)	—
Shares repurchased	(8,016)	—
Proceeds on issue of shares upon exercise of share options	3,564	—
Repayment of advances from related parties	34,519	—
New borrowings raised	234,137	321,165
Proceeds on issue of shares	—	497,552
Expenses on issue of shares	—	(14,541)
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>22,681</b>	457,380
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(49,919)</b>	371,844
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>	<b>(19,664)</b>	(21,283)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>508,743</b>	158,182
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank balances and cash</b>	<b>439,160</b>	508,743