

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2003

	2003 RMB'000	2002 RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	76,509	72,512
Adjustments for:		
Depreciation of property, plant and equipment	5,311	4,172
Amortisation of intangible assets	500	—
Interest expenses	4	540
Bank interest income	(775)	(1,162)
Operating profit before working capital changes	81,549	76,062
(Increase)/Decrease in inventories	(2,991)	666
Decrease in tax receivable	5,628	4,501
(Increase)/Decrease in trade and other receivables	(15,757)	13,491
Decrease in trade and other payables	(4,163)	(7,410)
Cash generated from operations	64,266	87,310
Interest paid	(4)	(540)
Interest received	775	1,162
PRC income tax paid	(5,160)	—
Net cash from operating activities	59,877	87,932
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(75,410)	(12,751)
Investment in held-to-maturity security	—	(1,063)
Acquisition of intangible assets	(5,000)	—
Net cash used in investing activities	(80,410)	(13,814)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of share upon listing	—	84,907
Listing expenses	—	(12,608)
Repayments of bank loans	—	(14,900)
Repayment of amount due to a related company	—	(14,588)
Dividend paid	(12,790)	(29,000)
Net cash (outflow)/inflow from financing activities	(12,790)	13,811
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(33,323)	87,929
CASH AND CASH EQUIVALENTS AT 1 JANUARY	172,988	85,059
CASH AND CASH EQUIVALENTS AT 31 DECEMBER		
Cash and bank balances	139,665	172,988