

## CONSOLIDATED CASH FLOW STATEMENT

	15 months ended 31 March 2008 Unaudited RMB'000	12 months ended 31 December 2006 Proforma RMB'000
<b>Operating Activities</b>		
Profit before tax	52,200	44,950
<b>Adjustments for:</b>		
Allowance for doubtful debts	-	1,233
Depreciation of property, plant and equipment	2,056	1,231
Amortisation of intangible assets	2,437	582
Loss on disposal of property, plant and equipment	123	90
Share based payment	143	-
Operating cash flows before movement in working capital	56,959	48,086
Decrease in inventories	(11,290)	(1,487)
Increase in trade and other receivables	(36,102)	(48,628)
(Decrease)/increase in trade and other payables	(5,986)	11,039
Cash generated from operations	3,581	9,010
Income taxes paid	-	(41)
Net cash generated from operating activities	3,581	8,969
<b>Investing Activities</b>		
Proceeds of disposal of property, plant and equipment	2	3
Purchase of property, plant and equipment	(8,201)	(1,226)
Purchase of intangible assets	(6,637)	(1,937)
Expenditure on product development	(4,456)	(3,834)
Amounts paid to former shareholders	(22,575)	-
Net cash used in investing activities	(41,867)	(6,994)
<b>Financing activities</b>		
Proceeds from share issuance	164,909	391
Proceed from borrowings	15,357	7,816
Dividends paid	-	(7,216)
Repayment of borrowing loan	(23,173)	-
Share issue costs	(26,499)	-
Cash transferred on restructuring	-	17,785
Net cash generated from financing activities	130,594	18,776
Net increase in cash and cash equivalents	92,308	20,751
Cash and cash equivalents at the beginning of the period	23,054	2,303
Cash and cash equivalents at the end of the period	115,362	23,054