

INTERIM RESULTS FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2007

Combined Cash Flow Statements

	12 Months Ended 31 December 2007 (Unaudited) RMB'000	12 Months Ended 31 December 2006 (Audited) Pro forma RMB'000
Operating Activities		
Profit before tax	53,035	44,950
Adjustments for:		
Allowance for doubtful debts	781	1,233
Depreciation of property, plant and equipment	1,306	1,231
Amortisation of intangible assets	1,182	582
Losses/(gains) on disposal of property, plant and equipment	143	90
Operating cash flows before movement in working capital	56,447	48,086
Decrease/(increase) in inventories	(11,780)	(1,487)
Decrease/(increase) in trade and other receivables	(16,738)	(48,628)
Increase/(decrease) in trade and other payables	12,971	10,866
Cash generated from operations	40,900	8,837
Income taxes paid	-	(41)
Net cash from operating activities	40,900	8,796

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Investing Activities		
Proceeds of disposal of property, plant and equipment	1	3
Purchase of property, plant and equipment	(4,616)	(1,226)
Purchase of intangible assets	(6,304)	(1,937)
Expenditure on product development	(4,460)	(3,834)
Cash paid for acquisition of investments	(22,575)	-
Net cash used in investing activities	(37,954)	(6,994)
Financing activities		
Cash received from investors	165,068	391
Cash received from borrowings	15,184	7,989
Dividends paid	-	(7,216)
Repayment of loan	(23,173)	-
Cash paid for IPO expense	(26,818)	-
Cash transferred on restructuring	-	17,785
Net cash used in financing activities	130,261	18,949
Net increase/(decrease) in cash and cash equivalents	133,207	20,751
Cash and cash equivalents at the beginning of the year	23,054	2,303
Cash and cash equivalents at the end of the year	156,261	23,054