

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st December, 2005

Note	2005 HK\$'000	2004 HK\$'000 (As restated)	2005 US\$'000 (Note 47)	2004 US\$'000 (As restated) (Note 47)
Operating Activities				
Profit before taxation	1,216,881	1,075,499	156,010	137,884
Adjustments for:				
Amortization/write off of intangible assets	49,125	8,692	6,298	1,114
Amortization of goodwill	–	35,263	–	4,521
Amortization of lease prepayment	1,402	128	180	16
Depreciation and amortization on property, plant and equipment	471,178	316,381	60,407	40,562
Employee share-based expense	6,703	–	859	–
Finance costs	353,041	150,064	45,262	19,239
Impairment loss of investment securities recognized	13,830	14,226	1,773	1,825
Interest income	(60,368)	(52,772)	(7,739)	(6,766)
(Profit) loss on disposal of property, plant and equipment	(2,690)	1,882	(345)	241
Release of negative goodwill to income	–	(4,307)	–	(552)
Share of the result of associates	6,463	845	828	108
Operating cash flows before movements in working capital	2,055,565	1,545,901	263,533	198,192
Increase in inventories	(361,469)	(265,316)	(46,342)	(34,015)
Decrease (increase) in trade and other receivables, deposits and prepayments	86,729	(621,895)	11,119	(79,730)
Increase in bills receivable	(103,654)	(220,369)	(13,289)	(28,252)
Increase in trade receivables from associates	(63)	(1,199)	(8)	(154)
(Decrease) increase in trade and other payables	(77,872)	786,963	(9,984)	100,893
Increase in bills payable	40,820	19,838	5,233	2,543
Increase in warranty provision	9,177	31,523	1,177	4,041
Increase in trade payable to an associate	353	18,363	45	2,354
Decrease in retirement benefit obligations	(87,675)	–	(11,240)	–
Cash generated from operations	1,561,911	1,293,809	200,244	165,872
Interest paid	(325,991)	(136,657)	(41,794)	(17,520)
Hong Kong profits tax paid	(109,349)	(105,995)	(14,019)	(13,589)
Overseas tax paid	(258,064)	(37,440)	(33,085)	(4,800)
Hong Kong profits tax refunded	–	668	–	86
Overseas tax refunded	2,325	68,779	298	8,818
Net Cash from Operating Activities	870,832	1,083,164	111,644	138,867

	Note	2005 HK\$'000	2004 HK\$'000 (As restated)	2005 US\$'000 (Note 47)	2004 US\$'000 (As restated) (Note 47)
Investing Activities					
Acquisition of subsidiaries (net of cash and cash equivalents acquired)	38	(4,769,329)	–	(611,452)	–
Purchase of property, plant and equipment		(525,334)	(296,061)	(67,351)	(37,957)
Additions to intangible assets		(261,070)	(216,262)	(33,470)	(27,726)
Additions to other asset		(1,000)	–	(128)	–
Advances to associates		(36,555)	(37,043)	(4,686)	(4,749)
Further considerations on acquisition of subsidiaries in prior years		(12,807)	–	(1,642)	–
Additions to lease prepayment		(63,674)	–	(8,163)	–
Proceeds from disposal of property, plant and equipment		71,933	16,715	9,222	2,143
Interest received		60,368	52,772	7,739	6,766
Purchase of additional interest in a subsidiary		–	(42,900)	–	(5,500)
Capital injection to an associate		–	(5,850)	–	(750)
Proceeds from disposal of investments in securities		–	5,575	–	715
Net Cash Used in Investing Activities		(5,537,468)	(523,054)	(709,931)	(67,058)
Financing Activities					
New bank loans obtained		5,202,095	815,580	666,935	104,561
Proceeds from issue of shares		1,933,140	141,261	247,838	18,110
Proceeds from issue of fixed interest rate notes		1,538,458	–	197,238	–
Repayment of bank loans		(4,135,671)	(423,614)	(530,214)	(54,309)
(Decrease) increase in discounted bills with recourse		(1,107,793)	889,307	(142,025)	114,014
Dividend paid		(251,469)	(178,998)	(32,240)	(22,948)
(Decrease) increase in trust receipt loans		(87,309)	46,969	(11,193)	6,022
Repayment of obligations under finance leases		(11,397)	(20,046)	(1,461)	(2,570)
Proceeds from issue of convertible bonds		–	1,069,770	–	137,150
Net Cash from Financing Activities		3,080,054	2,340,229	394,878	300,030
Net (Decrease) Increase in Cash and Cash Equivalents		(1,586,582)	2,900,339	(203,409)	371,839
Cash and cash equivalents at Beginning of the Year		5,314,518	2,444,098	681,349	313,346
Effect of Foreign Exchange Rate Changes		79,258	(29,919)	10,162	(3,836)
Cash and Cash Equivalents at End of the Year		3,807,194	5,314,518	488,102	681,349
Analysis of the Balances of Cash and Cash Equivalents					
Represented by:					
Bank balances, deposits and cash		4,046,122	5,452,057	518,734	698,982
Bank overdrafts		(238,928)	(137,539)	(30,632)	(17,633)
		3,807,194	5,314,518	488,102	681,349