

# Consolidated Cash Flow Statement

for the year ended 31 December 2005

(Expressed in Hong Kong dollars)

	Note	2005 \$'000	2004 \$'000
<b>Operating activities</b>			
(Loss) / profit before taxation		(173,315)	243,924
Adjustments for:			
– Depreciation		73,894	83,580
– Amortisation of intangible assets		1,622	1,622
– Amortisation of goodwill		–	1,682
– Impairment loss on goodwill		28,340	–
– Impairment loss on intangible assets		25,428	–
– Impairment loss on fixed assets		81,035	–
– Impairment loss on available-for-sale securities		175,775	–
– Finance costs		6,785	5,245
– Dividend income from listed equity securities		(425)	(541)
– Interest income		(16,457)	(11,406)
– Transfer from equity on disposal of available-for-sale securities (2004: realised losses on disposal of other non-trading securities)		(70)	188
– Profit on disposals of fixed assets		(6,573)	(1,602)
– Profit on disposal of associate		–	(4,858)
– Equity-settled share-based payment expenses		11,373	–
– Foreign exchange loss		8,218	1,501
<b>Operating profit before changes in working capital</b>		<b>215,630</b>	<b>319,335</b>
(Increase)/decrease in trading securities		(102,679)	8,054
Decrease/(increase) in inventories		78,778	(75,176)
Decrease/(increase) in trade and other receivables		128,178	(249,860)
(Decrease)/increase in trade and other payables		(41,252)	147,041
<b>Cash generated from operations</b>		<b>278,655</b>	<b>149,394</b>
Tax paid			
– Hong Kong Profits Tax paid		(28,743)	(6,744)
– Overseas tax paid		(6,538)	(9,518)
<b>Net cash from operating activities</b>		<b>243,374</b>	<b>133,132</b>

The notes on pages 35 to 68 form part of these financial statements.

## Consolidated Cash Flow Statement

for the year ended 31 December 2005

(Expressed in Hong Kong dollars)

	Note	2005 \$'000	2004 \$'000
<b>Investing activities</b>			
Proceeds from disposal of fixed assets		11,023	4,815
Payment for purchase of fixed assets		(115,162)	(83,843)
Proceeds from disposal of associate		–	9,348
Proceeds from disposal of available-for-sale securities (2004: non-trading securities)		3,955	206,895
Payment for purchase of available-for-sale securities (2004: non-trading securities)		(321,429)	(93,089)
Dividends income		425	541
Interest income		16,457	12,734
<b>Net cash (used in)/from investing activities</b>		<b>(404,731)</b>	<b>57,401</b>
<b>Financing activities</b>			
New bank loans		139,337	46,367
Repayment of bank loans		(139,526)	(19,653)
Capital contribution by minority interest shareholder		2,820	–
Interest paid		(6,595)	(5,245)
Proceeds on issue of shares		10,430	809
Dividends paid		(96,171)	(76,586)
Dividend paid to minority shareholders		–	(4,056)
<b>Net cash used in financing activities</b>		<b>(89,705)</b>	<b>(58,364)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(251,062)</b>	<b>132,169</b>
<b>Cash and cash equivalents at 1 January</b>		<b>669,394</b>	<b>534,884</b>
<b>Effect of foreign exchange rates changes</b>		<b>(2,487)</b>	<b>2,341</b>
<b>Cash and cash equivalents at 31 December</b>	20	<b>415,845</b>	<b>669,394</b>

### Note to the Consolidated Cash Flow Statement

#### (a) Major non cash transactions

During the year shares were issued as a result of scrip dividends.

The notes on pages 35 to 68 form part of these financial statements.