

# Consolidated Cash Flow Statement

Year ended 31 December 2005

	Notes	2005 HK\$'000	2004 HK\$'000 (Restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax:		<b>580,234</b>	989,301
Adjustments for:			
Finance costs	7	<b>89,106</b>	28,322
Interest income	5	<b>(12,421)</b>	(3,835)
(Gain)/loss on disposal of items of property, plant and equipment	5&6	<b>(73)</b>	4,124
Depreciation	6	<b>221,773</b>	124,089
Amortisation of prepaid land premiums	6	<b>12,014</b>	2,013
Impairment of property, plant and equipment	6	<b>244</b>	—
Impairment of prepaid land premiums	6	<b>5,886</b>	—
Goodwill amortisation and impairment	6	<b>—</b>	677
<hr/>			
Operating profit before working capital changes		<b>896,763</b>	1,144,691
Decrease/(increase) in inventories		<b>137,100</b>	(275,446)
Decrease/(increase) in trade receivables		<b>492,065</b>	(326,078)
Increase in prepayments, deposits and other receivables		<b>(3,503)</b>	(65,297)
Increase in trade payables		<b>166,026</b>	30,455
Increase in other payables and accruals		<b>204,471</b>	317,601
<hr/>			
Cash generated from operations		<b>1,892,922</b>	825,926
Interest received		<b>12,421</b>	3,835
Overseas taxes paid		<b>(58,441)</b>	(50,999)
<hr/>			
Net cash inflow from operating activities		<b>1,846,902</b>	778,762
<hr/>			
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchases of items of property, plant and equipment		<b>(1,811,256)</b>	(1,368,097)
Proceeds from disposal of items of property, plant and equipment		<b>3,689</b>	1,692
Acquisition of a minority shareholder	29	<b>(181,790)</b>	—
Payment of land premiums	15	<b>(88,265)</b>	(12,687)
Acquisition of a subsidiary	29	<b>—</b>	(93,387)
Investment in a jointly-controlled entity		<b>—</b>	(59,288)
Repayments from/(advances to) jointly-controlled entities		<b>(1,985)</b>	1,603
<hr/>			
Net cash outflow from investing activities		<b>(2,079,607)</b>	(1,530,164)

continued/....

## Consolidated Cash Flow Statement (Continued)

Year ended 31 December 2005

	Notes	2005 HK\$'000	2004 HK\$'000 (Restated)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of shares		147,777	977,631
Share issue expenses	26	—	(25,189)
New bank loans		2,784,848	697,302
New other loans		—	11,215
Repayment of bank loans		(1,393,409)	(211,105)
Repayment of other loans		(11,538)	(20,247)
Related fees paid for the banking facilities granted		(17,438)	—
Advances from/(repayments to) minority shareholders		(278,461)	38,776
Interest paid		(104,295)	(41,478)
Dividends paid		(160,796)	(104,399)
<b>Net cash inflow from financing activities</b>		<b>966,688</b>	1,322,506
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>			
Cash and cash equivalents at beginning of year		1,307,175	736,071
Effect of foreign exchange rate changes, net		25,266	—
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>2,066,424</b>	1,307,175
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances	21	2,016,135	820,013
Non-pledged time deposits with original maturity of less than three months when acquired		50,289	487,162
		<b>2,066,424</b>	1,307,175