

## Consolidated Cash Flow Statement

For the year ended 30 June 2006

<i>NOTES</i>	<b>1.7.2005 to 30.6.2006 HK\$'000</b>	1.1.2004 to 30.6.2005 HK\$'000
<b>Operating activities</b>		
Profit before taxation	<b>109,489</b>	28,768
Adjustments for:		
Depreciation of property, plant and equipment	<b>10,123</b>	13,612
Charge of prepaid lease premium for land	<b>1,830</b>	1,255
Equity settled share based payments	<b>3,608</b>	–
Change in fair value of derivative financial instruments	<b>(70,157)</b>	–
Allowance for doubtful debts	–	3,825
Discount arising on acquisition	–	(10,341)
Loss on disposal of subsidiary	–	7,502
Interest income	<b>(2,984)</b>	(589)
Finance costs	<b>28,389</b>	27,041
Share of result a jointly controlled entity	<b>(10)</b>	–
Operating cash flows before movements in working capital	<b>80,288</b>	71,073
Increase in inventories	<b>(34,199)</b>	(75,494)
Decrease in television programmes and sub-licensing rights	<b>540</b>	2,546
Increase in debtors, deposits and prepayments	<b>(74,157)</b>	(73,281)
Decrease (increase) in bills receivable	<b>2,017</b>	(2,590)
Increase in amounts due from fellow subsidiaries	<b>(88,725)</b>	(29,570)
Increase (decrease) in creditors and accrued charges	<b>50,478</b>	(251)
Increase (decrease) in bills payable	<b>57,048</b>	(10,922)
<b>Cash used in operations</b>	<b>(6,710)</b>	(118,489)
Hong Kong Profits Tax paid	<b>(1,123)</b>	(93)
Taxation in Mainland China	<b>(4,628)</b>	(2,317)
<b>Net cash used in operating activities</b>	<b>(12,461)</b>	(120,899)
<b>Investing activities</b>		
Interest received	<b>2,984</b>	589
Prepayment for acquisition of property, plant and equipment	<b>(120,709)</b>	–
Purchase of property, plant and equipment	<b>(22,606)</b>	(13,708)
Additions of prepaid lease premium for land	<b>(6,946)</b>	–
Net settlement of derivative financial instruments	<b>62,581</b>	–
Acquisition of subsidiaries	–	40,404
Disposal of subsidiaries	–	10,985
Capital contribution to a jointly controlled entity	<b>(17,475)</b>	–
Increase in pledged deposits	<b>(35,379)</b>	(16,801)
<b>Net cash (used in) from investing activities</b>	<b>(137,550)</b>	21,469

## Consolidated Cash Flow Statement

For the year ended 30 June 2006

	<b>1.7.2005 to 30.6.2006 HK\$'000</b>	1.1.2004 to 30.6.2005 HK\$'000
<b>Financing activities</b>		
Interest paid on bank and other borrowings	<b>(33,028)</b>	(22,836)
Interest paid on finance leases	<b>(23)</b>	(41)
Proceeds from issue of shares	<b>97,863</b>	24,098
Expenses incurred in connection with the issue of shares	<b>(5,095)</b>	(1,077)
Repayment of obligations under finance leases	<b>(340)</b>	(369)
New bank loans raised	<b>234,991</b>	133,862
Repayment of bank loans	<b>(143,167)</b>	(149,205)
New trust receipt loans raised	<b>973,731</b>	1,071,557
Repayment of trust receipt loans	<b>(881,631)</b>	(960,495)
New invoice financing loans raised	–	202,606
Repayment of invoice financing loans	<b>(27,257)</b>	(218,553)
Net (repayment) additions of other loans	<b>(695)</b>	1,163
Dividends paid	<b>(6,671)</b>	–
<b>Net cash from financing activities</b>	<b>208,678</b>	80,710
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>58,667</b>	(18,720)
Effect of foreign exchange rate changes	<b>631</b>	–
<b>Cash and cash equivalents at beginning of the year/period</b>	<b>60,868</b>	79,588
<b>Cash and cash equivalents at end of the year/period</b>	<b>120,166</b>	60,868
<b>Analysis of the balances of cash and cash equivalents</b>		
Being:		
Bank balances and cash	<b>120,236</b>	62,048
Bank overdrafts	<b>(70)</b>	(1,180)
	<b>120,166</b>	60,868

