

Consolidated Cash Flow Statement

For the year ended 31 December 2006

	2006 HK\$'000	2005 HK\$'000
Operating Activities		
Profit before taxation	208,922	163,729
Adjustment for:		
Investment income	(33,197)	(16,122)
Finance costs	767	227
Depreciation	132,247	125,378
Loss on disposal of property, plant and equipment	1,197	2,159
Impairment loss reversed in respect of property, plant and equipment	(8,967)	–
(Reversal of) write-down of inventories	(10,133)	14,553
Operating cash flows before movements in working capital	290,836	289,924
Decrease (increase) in inventories	29,301	(12,002)
Increase in trade receivables	(15,473)	(6,988)
Increase in other receivables, prepayments and deposits	(21,272)	(4,793)
Increase in amounts due from fellow subsidiaries	(2,576)	(5,054)
Increase in trade payables	233,166	80,781
Increase in deposits received, other payables and accrued charges	53,815	40,595
Increase in amounts due to fellow subsidiaries	14,088	83
Increase in amount due to ultimate holding company	43,036	22,834
Cash generated from operations	624,921	405,380
Hong Kong Profits Tax paid	(42,122)	(29,391)
People's Republic of China income taxes paid	(17,987)	(6,642)
Interest paid	(767)	(227)
Interest received	32,438	15,477
Net Cash from Operating Activities	596,483	384,597
Investing Activities		
Dividends received from investments	759	645
Purchase of property, plant and equipment	(104,234)	(101,003)
Proceeds from disposal of property, plant and equipment	637	131
Net Cash used in Investing Activities	(102,838)	(100,227)
Financing Activities		
Bank borrowings raised	59,712	14,351
Repayment of bank borrowings	(14,351)	–
Dividends paid	(50,633)	(36,373)
Dividends paid to minority shareholders	(1,049)	(1,009)
Net Cash used in Financing Activities	(6,321)	(23,031)
Net Increase in Cash and Cash Equivalents	487,324	261,339
Cash and Cash Equivalents at Beginning of the Year	1,042,294	776,018
Effect of Foreign Exchange Rate Changes	11,148	4,937
Cash and Cash Equivalents at End of the Year	1,540,766	1,042,294
Analysis of the Balances of Cash and Cash Equivalents		
Bank balances and cash	1,540,766	1,042,294