

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2006
(Expressed in Hong Kong dollars)

	Note	2006		2005	
		\$'000	\$'000	\$'000	\$'000
Operating activities					
Profit before taxation		230,889		203,156	
Adjustments for:					
– Depreciation		106,563		97,161	
– Amortisation of intangible assets		9,086		9,711	
– Finance costs		46,937		20,601	
– Interest income		(2,809)		(2,599)	
– Loss on disposal of fixed assets		2,649		725	
– Foreign exchange gain		6,194		(18,413)	
Operating profit before changes in working capital		399,509		310,342	
Increase in inventories		(356,685)		(230,679)	
(Increase)/decrease in trade and other receivables		(906,293)		7,597	
Increase in trade and other payables		345,852		217,927	
Cash (used in)/generated from operations		(517,617)		305,187	
Tax paid		(20,318)		(16,203)	
Net cash (used in)/generated from operating activities			(537,935)		288,984

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	Note	2006		2005	
		\$'000	\$'000	\$'000	\$'000
Investing activities					
Payment for the purchase of fixed assets		(418,836)		(73,285)	
Proceeds from disposal of fixed assets		2,704		5,585	
Disposal of subsidiaries, net of cash disposed of	13	(36,043)		–	
Payment for purchase of subsidiaries (net of cash acquired)	27	–		(446)	
Interest received		2,809		2,599	
Net cash used in investing activities			(449,366)		(65,547)
Financing activities					
Proceeds from new bank loans		7,421,935		2,596,259	
Repayment of bank loans		(6,473,803)		(2,726,224)	
Dividends paid		(31,104)		(31,104)	
Finance costs		(46,937)		(20,601)	
Repayment of loan from a fellow subsidiary		–		(4,566)	
Net cash generated from/ (used in) financing activities			870,091		(186,236)
Net (decrease)/increase in cash and cash equivalents			(117,210)		37,201
Cash and cash equivalents at 1 January			152,385		117,713
Effect of foreign exchange rate changes			(4,203)		(2,529)
Cash and cash equivalents at 31 December	19		30,972		152,385

The notes on pages 26 to 76 form part of these financial statements.