

Consolidated Cash Flow Statement

For the year ended 31 December 2006

	Notes	2006 HK\$'000	2005 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		321,519	261,831
Adjustments for:			
Finance costs	7	28,881	18,108
Share of profits and losses of associates		(35,772)	(45,980)
Interest income	5	(5,924)	(3,045)
Fair value gains on investment properties	17	(35,417)	(108,568)
Write-off of items of property, plant and equipment	6	2,868	–
Gains on disposal of items of property, plant and equipment	5	(6,159)	(1,066)
Gain on disposal of investment properties		(5,280)	–
Excess over the cost of business combinations and acquisition of minority interests		(241,308)	(15,071)
Fair value (gains)/losses on biological assets		(3,664)	5,588
Decrease in biological assets due to harvest	6	664	412
Dividend income from listed investments	5	(832)	(442)
Gains on disposal of available-for-sale investments		(504)	(29,226)
Impairment of trade receivables, net		1,442	319
Provision against obsolete inventories	6	12,754	19,472
Depreciation	6	52,774	38,553
Write-back of provision for advances to associates		–	(20,647)
Write-back of impairment of items of property, plant and equipment		(11,620)	(109)
Impairment of goodwill	6, 20	–	625
Impairment of available-for-sale investments	6	–	553
Fair value losses on equity investments at fair value through profit or loss		1,399	–
Amortisation of prepaid land lease payments	6	750	363
		76,571	121,670
Increase in inventories		(4,837)	(42,349)
Increase in trade receivables		(1,860)	(20,504)
(Increase)/decrease in prepayments, deposits and other receivables		(3,798)	12,536
Increase in amount due from a minority shareholder of a subsidiary		(24,500)	–
Increase in equity investment at fair value through profit or loss		(50,587)	–
Increase in amounts due from fellow subsidiaries		(3,700)	–
Decrease in other loans and receivables		1,670	–
Increase in trade and bills payables		102,554	24,078
Increase in other payables and accruals		16,763	44,428
Increase in amount due to a minority shareholder of a subsidiary		–	11,537
Increase in amount due from related companies		(361)	–
Decrease in provision for severance payment		(153)	–
Cash generated from operations		107,762	151,396
Hong Kong profits tax paid		(2,810)	(5,059)
Mainland China tax paid		(1,987)	(4,321)
Net cash inflow from operating activities		102,965	142,016

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Net cash inflow from operating activities		102,965	142,016
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of items of property, plant and equipment		(22,564)	(25,761)
Additions to construction in progress	19	(96,372)	(56,777)
Additions to prepaid land lease payments	18	(64)	(3,232)
Purchases of available-for-sale investments		(2,511)	(77,224)
Dividends received from listed investments	5	832	442
Acquisition of subsidiaries	41	(71,723)	(7,213)
(Advances to)/repayments from associates, net		(1,477)	80,612
Acquisition of minority interests		(78,361)	(12,572)
Decrease/(increase) in pledged bank deposits		3,350	(780)
Proceeds from disposal of available-for-sale investments		4,299	128,141
Interest received	5	5,924	3,045
Proceeds from disposal of investment properties		39,160	–
Proceeds from disposal of items of property, plant and equipment		10,767	3,516
Net cash (outflow)/inflow from investing activities		(208,740)	32,197
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of bank loans		(178,656)	(116,491)
Increase/(decrease) in trust receipt loans		21,463	(7,549)
Advance from and repayment to an intermediate holding company, net		(2,279)	(2,745)
Advance from/(to) minority shareholders		2,167	(355)
Interest paid		(28,881)	(18,108)
Dividends paid		–	(30,229)
Dividends paid to minority shareholders of subsidiaries		(6,002)	(5,184)
Capital element of finance lease rental payments		(10,980)	(11,673)
New bank loans		375,410	100,984
Net cash inflow/(outflow) from financing activities		172,242	(91,350)
NET INCREASE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at beginning of year		173,075	87,663
Effect of foreign exchange rate changes, net		9,661	2,549
CASH AND CASH EQUIVALENTS AT END OF YEAR		249,203	173,075
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	31	249,838	174,743
Non-pledged time deposits with original maturity of less than three months when acquired	31	5,145	–
Bank overdrafts	33	(5,780)	(1,668)
		249,203	173,075