

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		150,270		180,531	
Adjustments for:					
— Finance costs		2,906		396	
— Interest income		(3,359)		(3,912)	
— Dividends from listed securities		(235)		(235)	
— Net realised and unrealised (gain)/loss on trading securities		(94)		141	
— Net valuation gains on investment properties		(23,123)		(20,497)	
— Impairment losses on other non-current financial assets		46		156	
— Net (gain)/loss on disposal of fixed assets		(512)		242	
— Write-back of liabilities		(4,198)		(42,740)	
— Net gain on liquidation of a subsidiary		—		(45)	
— Write-back of impairment losses on receivables		(2,013)		(355)	
— Recovery of bad debts		—		(17,006)	
— Depreciation		16,681		8,077	
— Amortisation of land lease premium		1,778		1,774	
— Share of profits less losses of associates		(19,259)		(20,315)	
— Foreign exchange gain		(2,135)		(1,762)	
— Impairment losses on fixed assets		5,498		—	
— Equity-settled share-based payment expenses		3,426		—	
Operating profit before changes in working capital		125,677		84,450	
Decrease/(increase) in inventories		129,159		(205,552)	
Increase in trade, bills and other receivables		(22,035)		(108,539)	
Decrease in amounts due from fellow subsidiaries		156		122	
Increase in amount due from associate		(58)		(63)	
Increase in trade creditors, other payables and accrued charges		15,442		61,375	
Increase/(decrease) in amounts due to holding companies and fellow subsidiaries		48		(243)	
Decrease in restricted cash deposits against legal claims		—		4,634	

Consolidated Cash Flow Statement

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

	Note	2006		2005	
		\$'000	\$'000	\$'000	\$'000
Cash generated from/(used in) operations		248,389		(163,816)	
Interest received		3,359		4,515	
Interest paid		(2,906)		(396)	
Hong Kong Profits Tax paid		(1,281)		(1,763)	
PRC income tax refunded		—		19,874	
PRC income tax paid		(14,194)		(11,672)	
Net cash generated from/(used in) operating activities			233,367		(153,258)
Investing activities					
Payment for purchase of fixed assets		(225,768)		(89,166)	
Dividends received from listed securities		235		235	
Dividends received from associate		18,965		17,962	
Proceeds from disposal of fixed assets		6,387		423	
Net cash used in investing activities			(200,181)		(70,546)
Financing activities					
Dividends paid		(27,048)		(475)	
Repayment to banks on maturity of discounted bills		(455,391)		(43,991)	
Proceeds from banks on discounted bills		509,002		70,982	
Net cash generated from financing activities			26,563		26,516
Increase/(decrease) in cash and cash equivalents			59,749		(197,288)
Cash and cash equivalents at 1 January			96,871		288,749
Effect of foreign exchange rate changes			1,117		5,410
Cash and cash equivalents at 31 December	21		157,737		96,871

The notes on pages 44 to 104 form part of these financial statements.