

Combined Cash Flow Statement

Year ended 31 December 2006

	Notes	2006 HK\$'000	2005 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax:			
From continuing operations		979,136	293,167
From discontinued operations		89,754	61,105
Adjustments for:			
Finance costs	7	219,656	139,176
Provision against inventories	6	2,542	2,563
Impairment of receivables	6	478	1,138
Depreciation	6	310,217	216,107
Loss on disposal of items of property, plant and equipment	6	13,257	594
Loss on disposal of a subsidiary	6, 32	2,241	—
Impairment of items of property, plant and equipment	6	2,193	—
Recognition of prepaid land premiums	6	8,453	5,923
Share of profits of associates		(201,045)	(82,172)
Interest income	5	(20,725)	(16,824)
Unrealised fair value losses/(gains) of derivative instrument transactions not qualifying as hedges		11,966	(11,382)
Gain on partial disposal of an interest in a subsidiary	5	—	(8,218)
Loss on additional contribution to an existing subsidiary	6	—	2,121
Government grants	5	(187,937)	(6,945)
Compensation income	5	(56,607)	—
		1,173,579	596,353
Increase in inventories		(881,947)	(986,379)
Increase in accounts and bills receivable		(164,694)	(18,975)
Increase in prepayments, deposits and other receivables		(507,058)	(141,960)
Decrease in due from fellow subsidiaries		10,524	258,463
Decrease/(increase) in due from associates		15,751	(34,055)
Decrease/(increase) in due from related companies		14,060	(7,602)
Increase in due from the ultimate holding company		(8,574)	(3,794)
Decrease in due from minority shareholders of subsidiaries		—	3,749
Increase in accounts and bills payable		311,110	118,593
Increase/(decrease) in other payables and accruals		280,969	(31,075)
Increase/(decrease) in due to fellow subsidiaries		(275,835)	218,285
Decrease in due to the ultimate holding company		(185,156)	(986)
Decrease in due to the immediate holding company		—	(14,279)
Increase/(decrease) in due to related companies		(173,768)	513,727
Increase in due to minority shareholders of subsidiaries		38	77
Government grants received		148,960	654
Cash generated from/(used in) operations		(242,041)	470,796

Combined Cash Flow Statement (continued)

Year ended 31 December 2006

	Notes	2006 HK\$'000	2005 HK\$'000
Cash generated from/(used in) operations		(242,041)	470,796
Interest received		20,725	16,824
Interest paid		(227,253)	(139,176)
Mainland China tax paid		(100,166)	(83,797)
Net cash inflow/(outflow) from operating activities		(548,735)	264,647
CASH FLOWS FROM INVESTING ACTIVITIES			
Decrease/(increase) in pledged deposits		360,268	(404,262)
Repayment from/(advances to) associates		3,608	(432)
Acquisition of subsidiaries	31	240,141	—
Disposal of a subsidiary	32	(4,518)	—
Dividends from associates		—	3,042
Proceeds from disposal of items of property, plant and equipment		24,737	23,759
Purchases of items of property, plant and equipment		(1,372,668)	(649,912)
Additions to prepaid land premiums		(63,029)	(28,985)
Government grants received		29,419	5,922
Compensation received		2,950	28,372
Net cash outflow from investing activities		(779,092)	(1,022,496)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in due to fellow subsidiaries		(54,302)	90,059
Increase in due to the immediate holding company		561,904	132,527
Increase in due to minority shareholders of subsidiaries		2,021	355
New bank loans		8,176,368	7,270,940
New other loans		3,413,222	1,544,442
Repayments of bank loans		(6,180,447)	(7,750,982)
Repayments of other loans		(4,254,374)	(456,670)
Capital contribution from minority shareholders of subsidiaries		32,316	—
Contributions from the immediate holding company		329,671	—
Acquisition of additional interest in an existing subsidiary		(4,016)	—
Dividends paid		(2,239)	—
Dividends paid to minority shareholders of subsidiaries		(12,106)	(7,443)
Net cash inflow from financing activities		2,008,018	823,228
NET INCREASE IN CASH AND CASH EQUIVALENTS		680,191	65,379

Combined Cash Flow Statement (continued)

Year ended 31 December 2006

	Notes	2006 HK\$'000	2005 HK\$'000
NET INCREASE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at beginning of year		523,803	453,990
Effect of foreign exchange rate changes, net		45,394	4,434
CASH AND CASH EQUIVALENTS AT END OF YEAR			
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	24	1,190,268	502,027
Non-pledged time deposits with original maturity of less than three months when acquired		59,120	21,776
		1,249,388	523,803