



Consolidated Cash Flow Statement

For The Year Ended 31 December 2006

	2006 HK\$'000	2005 HK\$'000 (restated)
OPERATING ACTIVITIES		
Profit before taxation	282,404	353,227
Adjustments for:		
Interest income	(52,163)	(7,240)
Interest expenses	260,812	39,947
Share of results of associates	(20,974)	(130,241)
Loss on deemed disposal of partial interest in an associate	4,582	–
Increase in fair value of investment properties	(4,358)	(5,456)
Gain on disposal of an associate	–	(4,355)
Loss on disposal of land use rights	–	1,594
Loss on disposal of property, plant and equipment	1,182	10,700
Depreciation of property, plant and equipment	249,038	73,741
Amortisation of intangible assets	556	665
Discount on acquisition of additional equity interest in a subsidiary	(3,780)	–
Amortisation of prepaid lease rentals	9,236	4,729
Account for fair value changes on derivative financial instruments	(2,012)	2,103
Allowance for inventories, net	1,001	10,899
Reversal of provision for compensation	–	(344)
Allowance for (recovery of) bad and doubtful debt, net	1,231	(12,658)
Write-back of other payables and accrued liabilities	(50)	(34)
Operating cash flows before movements in working capital	726,705	337,277
Decrease in amounts due from customers for contract work	126	9,602
(Increase) decrease in inventories	(311,177)	44,160
Increase in trade and bill receivables	(42,682)	(96,514)
(Increase) decrease in prepayments, deposits and other receivables	(51,133)	93,128
(Increase) decrease in amounts due from related companies	(18,320)	38,890
Increase in amount due from an associate	–	(95,910)
Decrease in amount due from ultimate holding company of controlling shareholder	11,356	92,474
(Decrease) increase in amounts due to customers for contract work	(304)	219
(Decrease) increase in trade and bill payables	(4,372)	254,755
Increase (decrease) in other payables and accrued liabilities	550,924	(524,731)
Increase in amount due to an associate	–	18,375
(Decrease) increase in amount due to ultimate holding company of controlling shareholder	(315,954)	335,149
Decrease in provision for compensation claim	–	(363)
Increase (decrease) in amounts due to related companies	386,934	(80,376)
Cash generated from operations	932,103	426,135
Interest paid	(304,153)	(46,131)
Income taxes paid	(18,709)	(26,199)
Income taxes refunded	1,521	800
NET CASH FROM OPERATING ACTIVITIES	610,762	354,605

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INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(2,008,244)	(532,049)
Increase in deposits for acquisition of property, plant and equipment	(173,142)	(40,189)
Addition of prepaid lease rentals	(428)	(27,655)
Decrease (increase) in restricted bank deposits	95,770	(16,869)
Increase in pledged deposits	(10,123)	–
Interest received	52,163	7,240
Proceeds from disposal of property, plant and equipment	5,748	1,953
Decrease in amounts due from related companies	6,980	–
Advance to an associate	–	(345,259)
Acquisition of a subsidiary	–	(124,954)
Acquisition of additional interest in a subsidiary	–	(57,528)
Dividends received from an associate	–	4,300
Proceeds from disposal of an associate	–	4,357
	(2,031,276)	(1,126,653)
FINANCING ACTIVITIES		
New borrowings raised	3,862,707	687,183
Net proceeds from issue of shares	492,575	9,868
Advance from ultimate holding company of controlling shareholder	298,954	481,281
Capital contribution from a minority shareholder of a subsidiary	30,975	1,507
Repayment of bank borrowings	(1,797,238)	(426,777)
(Repayment of) loan from a related company	(242,189)	242,189
Increase in amounts due to related companies	26,791	–
Decrease in amount due to ultimate holding company of controlling shareholder	(53,351)	–
Payment of dividends	(35,185)	–
Dividends paid to minority shareholders of a subsidiary	(11,295)	(8,494)
Repayment of a finance lease	(534)	(534)
Repayment of loan from a fellow subsidiary	–	(123,904)
	2,572,210	862,319
NET CASH FROM FINANCING ACTIVITIES	2,572,210	862,319
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,151,696	90,271
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	558,317	468,046
Effect of foreign exchange rate changes	18,209	–
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank balances and cash	1,728,222	558,317