

Consolidated Cash Flow Statement

For the year ended 30 June 2006

	1.7.2005 to 30.6.2006 HK\$'000	1.4.2004 to 30.6.2005 HK\$'000 (Restated)
NOTES		
Operating activities		
Profit (loss) before taxation	135,356	(50,544)
Adjustments for:		
Equity-settled share based payments	5,348	–
Loss on disposal of property, plant and equipment	595	108
Depreciation of property, plant and equipment	35,905	43,118
Charge of prepaid lease premium for land	2,334	1,999
Change in fair value derivative financial instruments	(79,146)	–
Write down of inventories	7,925	2,993
Allowance for doubtful debts	3,956	23,491
Impairment loss on property, plant and equipment	–	14,000
Impairment loss recognised in respect of goodwill	–	16,212
Share of results of associates	(236)	(289)
Share of result of a jointly controlled entity	(10)	–
Gain on deemed disposal of a subsidiary	(19,576)	(1,845)
Gain on disposal of subsidiaries	–	(797)
Discount on acquisition of a subsidiary	(892)	–
Loss on disposal of subsidiaries	–	7,502
Interest income	(9,651)	(8,421)
Finance costs	36,565	32,134
Operating cash flows before movements in working capital	118,473	79,661
Increase in inventories	(74,078)	(60,198)
Decrease in television programmes and sub-licensing rights	540	2,546
Increase in debtors, deposits and prepayments	(109,907)	(62,756)
Increase in bills receivable	(29,112)	(1,672)
Increase in creditors and accrued charges	55,599	11,442
Increase (decrease) in bills payable	79,562	(18,616)
Cash generated from (used in) operations	41,077	(49,593)
Hong Kong Profits Tax refund (paid)	2,331	(448)
Taxation in other jurisdictions paid	(11,080)	(10,952)
Net cash from (used in) operating activities	32,328	(60,993)

Consolidated Cash Flow Statement *(continued)*

For the year ended 30 June 2006

	NOTES	1.7.2005 to 30.6.2006 HK\$'000	1.4.2004 to 30.6.2005 HK\$'000 (Restated)
Investing activities			
Interest received		9,651	8,421
Purchase of property, plant and equipment		(56,766)	(25,442)
Additions of prepaid lease premium for land		(10,914)	–
Prepayment for property, plant and equipment		(192,495)	–
Net settlement of derivative financial instruments		75,855	–
Proceeds from disposal of property, plant and equipment		–	100
Acquisition of subsidiaries	32	–	4,642
Purchase of additional shares of listed subsidiary		(1,607)	–
Proceeds from placement of shares of a listed subsidiary		92,584	24,098
Proceeds from disposal of subsidiaries	32 & 33	–	13,292
Capital contribution to a jointly controlled entity		(17,475)	–
Increase in pledged deposits		(18,849)	(20,224)
Net cash (used in) from investing activities		(120,016)	4,887
Financing activities			
Interest paid on bank borrowings		(35,421)	(26,930)
Interest paid on finance leases		(184)	(385)
Proceeds from issue of shares		93,000	32,889
Proceeds from issue of convertible notes		77,600	–
Expenses incurred in connection with the issue of shares		(2,876)	(8,033)
Repurchase of shares		(250)	–
Repayment of obligations under finance leases		(1,525)	(2,854)
New bank loans raised		453,617	348,917
Repayment of bank loans		(325,369)	(370,223)
New trust receipt loans raised		1,001,467	1,072,542
Repayment of trust receipt loans		(927,972)	(973,116)
New invoice financing loans raised		28,066	224,875
Repayment of invoice financing loans		(55,866)	(243,993)
Net additions of other loans		737	1,163
Dividends paid to a minority shareholder		–	(2,616)
Net cash from financing activities		305,024	52,236

	1.7.2005 to 30.6.2006 HK\$'000	1.4.2004 to 30.6.2005 HK\$'000 (Restated)
NOTES		
Net increase (decrease) in cash and cash equivalents	217,336	(3,870)
Cash and cash equivalents at beginning of the year/period	139,491	143,455
Effect of foreign exchange rate changes	1,401	(94)
Cash and cash equivalents at end of the year/period	358,228	139,491
Analysis of the balances of cash and cash equivalents		
Being:		
Bank balances and cash	358,508	140,806
Bank overdrafts	(280)	(1,315)
	358,228	139,491