

CONSOLIDATED CASH FLOW STATEMENT

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

	Note	2006 \$'000	2005 (restated) \$'000
Operating activities			
Loss before taxation		(112,871)	(58,293)
Adjustments for:			
– Amortisation of land lease premium		2,517	2,506
– Amortisation of bottles and crates		8,617	11,466
– Depreciation of property, plant and equipment		70,472	73,084
– Depreciation of investment properties		2,641	2,156
– Impairment loss on trade and other receivables		11,086	3,736
– Impairment loss on property, plant and equipment		–	57,298
– Impairment loss on investment properties		12,000	–
– Impairment loss on forfeited rental deposit and related interest receivable		–	5,841
– Impairment loss on other tangible assets		–	2,994
– Interest expenses		7,851	6,016
– Interest income		(12,403)	(10,418)
– Loss on disposal of property, plant and equipment		18,808	216
– Loss on disposal of other tangible assets		7,349	4,175
– Equity-settled share-based payment expenses		400	495
– Foreign exchange gains		(1,373)	(1,576)
Operating profit before changes in working capital		15,094	99,696
Decrease in inventories		36	4,098
Increase in trade and other receivables		(17,204)	(13,522)
Decrease/(increase) in net amounts due from holding companies and fellow subsidiaries		7,773	(27,356)
Increase in trade and other payables	(i)	8,801	6,263
Decrease in net retirement benefit liabilities		(5,350)	(2,814)
Increase in leased factory maintenance provision	(i)	3,587	4,158
Cash generated from operations		12,737	70,523
Income tax			
– Hong Kong Profits Tax refund/(paid)		763	(853)
Net cash generated from operating activities		13,500	69,670
Investing activities			
Payment for purchase of property, plant and equipment		(55,124)	(19,740)
Payment for purchase of investment properties		–	(336)
Payment for purchase of trademarks		(2)	(21)
Payment for purchase of other tangible assets		(21,961)	(20,898)
Proceeds from disposal of property, plant and equipment		37,231	430
Proceeds from redemption of dated debt securities		12,492	–
Interest received		16,896	8,733
Net cash used in investing activities		(10,468)	(31,832)
Financing activities			
Proceeds from new bank loans		29,843	–
Repayment of bank loans		–	(100,000)
Interest paid		(6,671)	(6,297)
Dividend paid		–	(7,472)
Net cash generated from/(used in) financing activities		23,172	(113,769)
Net increase/(decrease) in cash and cash equivalents		26,204	(75,931)
Cash and cash equivalents at 1 January		383,331	454,817
Effect of foreign exchange rates changes		6,800	4,445
Cash and cash equivalents at 31 December	22	416,335	383,331

Note (i):

Major non-cash transaction

During the year, leased factory maintenance provision amounting to \$58,672,000 was transferred to trade and other payables (see note 26).

The notes on pages 37 to 64 form part of these financial statements.