

Consolidated Cash Flow Statement

For the Year Ended 31 December 2006

	Note	2006 HK\$'000	2005 HK\$'000
Operating activities			
Profit before taxation		301,360	270,146
Adjustments for:			
Gain on fair value changes on investment property		–	(2,038)
Depreciation		50,879	39,129
Amortisation of interest in leasehold land		2,790	2,683
Amortisation of intangible assets		9,459	11,791
Interest income		(8,283)	(7,089)
Gain on disposal of property, plant and equipment		(491)	(55)
Net unrealised gain on trading securities		(32,545)	(35)
(Write-back)/provision of provision for slow-moving and obsolete inventories		(399)	3,097
Impairment loss for bad and doubtful debts		–	14,305
Impairment loss on club debenture		–	130
Bad debts written off		115	1,061
Net exchange loss/(gain)		–	(8,704)
Equity-settled share-based payment expenses		11,135	17,086
Other borrowing cost		3,606	–
Interest element of finance lease rental		4	31
Interest expense on bank advances and other borrowings		10,160	7,507
Write off of inventories		35,543	–
Operating profit before changes in working capital		383,333	349,045
(Decrease)/increase in inventories		(34,357)	5,470
Decrease in trade and other receivables		39,381	94,474
Increase in trading securities		(85,458)	(5,456)
Decrease in available-for-sale securities/ investment in securities		–	25,444
Increase/(decrease) in trade and other payables		101,274	(4,723)
		20,840	115,209
Cash generated from operations		404,173	464,254
Tax paid			
Hong Kong profits tax paid		(714)	–
Overseas tax paid		(21,771)	(20,598)
		(22,485)	(20,598)
Net cash generated from operating activities		381,688	443,656

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	Note	2006 HK\$'000	2005 HK\$'000
Investing activities			
Payments for the purchase of property, plant and equipment		(385,133)	(146,407)
Proceeds from disposal of property, plant and equipment		540	—
Payment of deposits for acquisition of interests in leasehold land for own use under operating leases		(39,015)	—
Interest received		7,960	7,089
Payment of deposits for acquisition of other property, plant and equipment		(44,611)	(342,961)
Payment of deposits for acquisition of intangible assets		—	(3,393)
Net cash used in investing activities		(460,259)	(485,672)
Financing activities			
Capital element of finance lease rentals paid		(25)	(34)
Payment for repurchase of shares		—	(4,002)
Proceeds from new bank loans		200,000	2,815
Repayment of bank loans		(179,065)	(58,750)
Proceeds from exercise of warrants		6,681	—
Proceeds from exercise share options		81,535	22,881
Interest element of finance lease rentals paid		(4)	(31)
Interest paid on bank advances and other borrowings		(10,160)	(7,507)
Other borrowings costs paid		(3,606)	—
Dividend paid to equity shareholders of the Company	12(b)	(20,396)	(18,692)
Dividend paid to a minority shareholder		(100,000)	—
Net cash used in financing activities		(25,040)	(63,320)
Net decrease in cash and cash equivalents		(103,611)	(105,336)
Cash and cash equivalents at 1 January		514,066	630,909
Effect of foreign exchange rate changes		(5,274)	(11,507)
Cash and cash equivalents at 31 December	27	405,181	514,066

The notes on pages 43 to 101 form part of these financial statements.