

CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 December 2006

	Notes	2006 HK\$'000	2005 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		135,523	106,730
Adjustments for:			
Finance costs		20,935	11,602
Share of profits and losses of jointly controlled entities		(1,491)	(1,225)
Dividend income	7	(1,008)	(1,189)
Bank interest income	7	(1,102)	(557)
Loss on disposal of items of property, plant and equipment	7	234	2,321
Depreciation for items of property, plant and equipment	7	46,446	36,548
Recognition of prepaid land premiums	7	894	663
Amortisation of other intangible asset	7	183	187
Deferred income recognised as income	7	(247)	(248)
Realised gains on disposal of available-for-sale investments, net	7	(788)	(37)
Impairment of goodwill	7	-	484
Fair value loss on short term investments	7	26	29
Fair value gain on derivative instruments – transactions not qualifying as hedges	7	-	(655)
Costs in the granting of share option	7	6,174	-
		205,779	154,653
Decrease/(increase) in inventories		16,929	(64,788)
Increase in trade receivables		(51,799)	(41,267)
Increase in prepayments, deposits and other receivables		(4,103)	(1,687)
Increase/(decrease) in trade payables		(3,286)	42,794
Increase/(decrease) in other payables and accrued liabilities		(1,597)	23,854
Increase/(decrease) in amounts due to jointly controlled entities		(1,249)	3,018
Increase/(decrease) in provision of long service payments		(1,287)	567
		159,387	117,144
Cash generated from operations		159,387	117,144
Dividend received		1,008	1,189
Interest received		1,102	557
Interest paid		(20,166)	(11,314)
Interest element on finance lease rental payments		(113)	(288)
Overseas taxed refunded		-	1,852
Hong Kong profits tax paid		(5,660)	(8,328)
Overseas taxes paid		(6,947)	(5,629)
		128,611	95,183
Net cash inflow from operating activities		128,611	95,183

	Notes	2006 HK\$'000	2005 HK\$'000
Net cash inflow from operating activities		128,611	95,183
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of items of property, plant and equipment		(159,962)	(130,013)
Proceeds from disposal of items of property, plant and equipment		1,147	63
Additions to prepaid land premiums	15	(28,700)	–
Investment in a jointly controlled entity		–	(2,979)
Return of capital from a jointly controlled entity		1,823	–
Advances to jointly controlled entities		(8,079)	(23,434)
Dividend received from a jointly controlled entity		–	3,747
Purchase of available-for-sale investments		(178)	–
Proceeds from disposal of available-for-sale investments		2,899	473
Net cash outflow from investing activities		(191,050)	(152,143)
CASH FLOWS FROM FINANCING ACTIVITIES			
Share options exercised	31	8,799	1,026
Warrants exercised	31	10,583	18,877
Repayment of trust receipts and other loans		–	(73,468)
New bank loans		150,000	310,000
Repayment of bank loans		(89,872)	(147,193)
Capital element of finance lease rental payments		(2,278)	(7,568)
Dividends paid		(17,378)	(13,590)
Net cash inflow from financing activities		59,854	88,084
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
		(2,585)	31,124
Effect of foreign exchange rate changes, net		10,826	310
Cash and cash equivalents at beginning of year		82,395	50,961
CASH AND CASH EQUIVALENTS AT END OF YEAR			
		90,636	82,395
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	23	86,633	47,520
Time deposits with original maturity of less than three months when acquired	23	4,003	34,875
		90,636	82,395