

# Consolidated Cash Flow Statement

For the year ended 31st December, 2006

	Notes	2006 HK\$'000	2005 HK\$'000 (restated)
<b>OPERATING ACTIVITIES</b>			
Profit for the year		<b>72,962</b>	70,035
Taxation from continuing operations	12	<b>18,933</b>	–
Taxation from discontinued operations	12	–	676
		<b>91,895</b>	70,711
Adjustments for:			
Finance cost		<b>17,867</b>	15,765
Share-based payments		<b>4,796</b>	9,965
Interest income		<b>(7,711)</b>	(4,899)
Depreciation of property, plant and equipment		<b>5,542</b>	6,256
Amortisation of prepaid lease payment		<b>335</b>	797
Amortisation of intangible asset		<b>86</b>	–
Net gain on disposal of subsidiaries		<b>(671)</b>	–
Gain on disposal of investment properties		–	(779)
Gain on disposal of property, plant and equipment		<b>(12,067)</b>	(16,401)
Operating cash flows before movements in working capital		<b>100,072</b>	81,415
Decrease (increase) in inventories		<b>6,306</b>	(1,446)
Decrease in properties held for sale		–	10,790
Decrease in trade and other receivables, deposits and prepayments		<b>19,991</b>	46,788
Decrease in investments in securities held for trading		–	14,630
Decrease in trade and other payables		<b>(877)</b>	(7,693)
Decrease in bills payable		–	(18,164)
Net cash generated from operations		<b>125,492</b>	126,320
Interest paid		<b>(7,592)</b>	(4,293)
Taxation paid		<b>(8,122)</b>	(2,871)
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>		<b>109,778</b>	119,156
<b>INVESTING ACTIVITIES</b>			
Interest received		<b>7,711</b>	2,540
Additions of property, plant and equipment		<b>(106,985)</b>	(102,913)
Deposits paid for acquisition of property, plant and equipment		<b>(6,870)</b>	–
Increase in pledged bank deposits		<b>(9,810)</b>	–
Payment of prepaid lease payment		–	(16,800)
Proceeds from disposal of investment properties		–	3,629
Proceeds from disposal of property, plant and equipment		<b>24,148</b>	22,989
Proceeds from disposal of subsidiaries (net of cash and cash equivalent disposal of)	34	<b>11,351</b>	75,000
Repayment from loans receivable		<b>269</b>	18,560
Purchase of subsidiaries (net of cash and cash equivalents acquired)	35	<b>(57,516)</b>	–
<b>NET CASH (USED IN) GENERATED FROM INVESTING ACTIVITIES</b>		<b>(137,702)</b>	3,005

# Consolidated Cash Flow Statement (Continued)

For the year ended 31st December, 2006

	2006 HK\$'000	2005 HK\$'000 (restated)
<b>FINANCING ACTIVITIES</b>		
Dividends paid	<b>(26,881)</b>	–
Net proceeds on issue of convertible bonds	–	192,024
New bank loans	<b>80,125</b>	65,961
Repayment of bank borrowings	<b>(99,539)</b>	(23,422)
Increase in amount due to a related company	<b>5,013</b>	2,219
Decrease in amount due to ultimate holding company	–	(261)
Decrease in amount due to a minority shareholder	–	(399)
<b>NET CASH (USED IN) GENERATED FROM FINANCING ACTIVITIES</b>	<b>(41,282)</b>	236,122
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(69,206)</b>	358,283
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>489,085</b>	123,491
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>	<b>21,682</b>	7,311
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>441,561</b>	489,085
<b>ANALYSIS OF THE BALANCE OF CASH AND CASH EQUIVALENTS</b>		
Bank balances and cash	<b>274,903</b>	489,085
Deposits placed with financial institutions	<b>166,658</b>	–
	<b>441,561</b>	489,085