

Consolidated Cash Flow Statement

For the year ended 31st December, 2007

	Note	2007 HK\$	2006 HK\$
OPERATING ACTIVITIES			
Operating profit from continuing operations		144,019,278	101,736,470
Operating loss from discontinued operation	12	–	(7,238,845)
Adjustments for:			
Depreciation and amortisation of property, plant and equipment	16	54,959,026	55,782,567
Amortisation of leasehold land and land use rights	18	1,013,153	1,233,702
Impairment losses on goodwill	19	–	981,123
Release of negative goodwill	6	–	(94,901)
Share-based payments		3,214,829	–
Net gain on disposal of property, plant and equipment and leasehold land and land use rights	9	(59,999,829)	(812,747)
Revaluation (surplus) deficit of leasehold buildings	9	(273,958)	494,566
Gain on disposal of investment properties	9	(8,976,730)	–
Fair value gains on investment properties	6	(7,960,000)	(800,000)
Impairment losses on property, plant and equipment	16	1,500,000	995,952
Allowance for impairment of bad and doubtful debts		9,780,150	15,110,606
Write-down of inventories	9	13,972,864	8,261,408
OPERATING CASH FLOWS BEFORE MOVEMENTS IN WORKING CAPITAL		151,248,783	175,649,901
Decrease (Increase) in inventories		25,907,766	(81,197,628)
Increase in trade and other receivables		(22,854,991)	(89,462,751)
(Decrease) Increase in trade and other payables		(65,483,197)	155,829,867
Cash generated from operations		88,818,361	160,819,389
Hong Kong profits tax paid		(2,570,819)	(1,955,530)
Overseas tax paid		(7,808,765)	(15,558,577)
NET CASH FROM OPERATING ACTIVITIES		78,438,777	143,305,282

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	Note	2007 HK\$	2006 HK\$
INVESTING ACTIVITIES			
Amounts advanced to associates		(9,890,098)	(25,579,137)
Purchase of available-for-sale financial assets		(509,505)	(4,711,393)
Net proceeds from disposal of a subsidiary	33	–	173,974
Proceeds from disposal of discontinued operation	33	–	3
Decrease (Increase) in pledged bank deposits		573,762	(16,543,875)
Acquisition of additional shareholding in subsidiaries from minority shareholders		(119,759)	(457,000)
Acquisition of an associate		(4,668,152)	–
Purchase of property, plant and equipment		(64,096,821)	(54,649,323)
Proceeds from disposal of associates		1,386,193	–
Proceeds from disposal of investment properties		25,306,730	–
Proceeds from disposal of property, plant and equipment and leasehold land and buildings		100,954,922	8,142,506
Proceeds from disposal of available-for-sale financial assets		2,742,657	8,364,488
Amount repaid from an investee company		–	105
Interest received	8	2,030,074	1,035,202
Dividends received from associates		–	4,291,156
NET CASH GENERATED FROM (USED IN) INVESTING ACTIVITIES		53,710,003	(79,933,294)
FINANCING ACTIVITIES			
Repayment of bank loans		(324,799,356)	(337,929,022)
Interest paid	7	(27,088,135)	(28,648,015)
Repayment of obligations under finance leases		(5,009,819)	(5,259,761)
Dividends paid to minority shareholders of subsidiaries		(8,732,970)	(2,457,341)
Dividends paid to Company's shareholders		(14,872,976)	(14,150,454)
Repayment of other loans		–	(90,591)
Bank loans raised		333,599,394	277,640,777
Capital contributed by minority shareholders of a subsidiary		2,138,918	636,295
Amounts advanced from associates		14,353,381	24,921,207
Proceeds from issue of shares	27	3,500,000	–
NET CASH USED IN FINANCING ACTIVITIES		(26,911,563)	(85,336,905)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		105,237,217	(21,964,917)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	26	61,062,701	79,809,902
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		6,316,781	3,217,716
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	26	172,616,699	61,062,701

The notes on pages 46 to 121 are an integral part of these consolidated financial statements.