

Consolidated Statement of Cash Flows

For the year ended December 31, 2019

	2019 US\$'000	2018 US\$'000
Operating Activities		
Profit before taxation	661,286	594,610
Adjustments for:		
Amortization/write-off of intangible assets	113,101	111,994
Amortization of lease prepayments	—	747
Depreciation of right of use assets	67,719	—
Depreciation on property, plant and equipment	144,663	129,229
Employee share-based payments expense	6,792	4,978
Fair value loss (gain) on foreign currency forward contracts	11,007	(17,954)
Fair value loss on listed equity securities	8,231	5,570
Fair value gain on club membership debentures	(145)	(114)
Fair value loss on acquisition right of certain property, plant and equipment	512	117
Fair value loss on cross-currency interest rate swap	2,425	—
Finance costs	52,323	38,049
Gain on early termination of leases	(3,500)	—
Gain on disposal of listed equity securities	—	(236)
Impairment loss on trade receivables under expected credit loss model	1,321	22,845
Interest income	(40,215)	(25,204)
Loss on disposal of property, plant and equipment	6,330	16,859
Share of results of associates	(119)	—
Write down of inventories	34,455	27,584
Operating cash flows before movements in working capital	1,066,186	909,074
Increase in inventories	(383,721)	(348,651)
Increase in trade and other receivables, deposits and prepayments	(147,290)	(31,138)
Increase in right to returned goods asset	(1,337)	(576)
(Increase) decrease in bills receivable	(1,019)	2,951
(Increase) decrease in trade receivables from associates	(3,701)	537
Increase in trade and other payables	257,994	364,105
Increase in refund liabilities from right of return	3,207	2,457
Increase (decrease) in bills payable	5,006	(13,788)
Increase in warranty provision	9,900	13,512
Increase (decrease) in retirement benefit obligations	14,411	(4,571)
Net payment for purchase of shares for share award scheme	(8,477)	(15,191)
Cash generated from operations	811,159	878,721
Interest paid	(52,323)	(38,049)
Hong Kong Profits Tax paid	(3,568)	(9,582)
Overseas tax paid	(35,072)	(38,811)
Hong Kong Profits Tax refunded	965	59
Overseas tax refunded	3,112	1,302
Net Cash from Operating Activities	724,273	793,640

	2019 US\$'000	2018 US\$'000
Investing Activities		
Acquisition of a subsidiary	—	(49,347)
Additions to intangible assets	(158,971)	(135,639)
Equity interest acquired in an associate	—	(1,470)
Interest received	40,215	25,204
Proceeds from derecognition of right of use assets	25	—
Proceeds from disposal of listed equity securities	—	2,667
Proceeds from disposal of property, plant and equipment	7,154	1,869
Purchase of listed equity securities	—	(8,536)
Purchase of property, plant and equipment	(456,608)	(259,114)
Purchase of unlisted equity securities	(301)	—
Repayment from associates	—	586
Net Cash used in Investing Activities	(568,486)	(423,780)
Financing Activities		
(Decrease) increase in discounted bills with recourse	(234,271)	155,523
Dividends paid	(223,594)	(183,422)
New bank loans obtained	4,041,720	2,519,087
Proceeds from issue of shares	5,938	868
Repayment of bank loans	(3,350,154)	(2,548,665)
Repayment of lease liabilities	(64,230)	—
Repayment of obligations under finance leases	—	(10,751)
Buy-back of shares	(12,644)	(38,608)
Net Cash from (used in) Financing Activities	162,765	(105,968)
Net Increase in Cash and Cash Equivalents	318,552	263,892
Cash and Cash Equivalents at Beginning of the Year	1,103,880	863,515
Effect of Foreign Exchange Rate Changes	(10,611)	(23,527)
Cash and Cash Equivalents at End of the Year	1,411,821	1,103,880
Analysis of the Balances of Cash and Cash Equivalents		
Represented by:		
Bank balances, deposits and cash	1,411,821	1,103,880
	1,411,821	1,103,880