

Consolidated Statement of Cash Flows

For the year ended December 31, 2017

| | 2017 US\$'000 | 2016 US\$'000 |
|---|------------------|------------------|
| Operating Activities | | |
| Profit before taxation | 505,496 | 440,029 |
| Adjustments for: | | |
| Amortization/write-off of intangible assets | 97,698 | 90,544 |
| Amortization of lease prepayments | 732 | 744 |
| Depreciation on property, plant and equipment | 114,503 | 101,342 |
| Employee share-based payments expense | 4,193 | 9,448 |
| Fair value gain on interest rate swap | — | (660) |
| Fair value loss on foreign currency forward contracts | 8,920 | 21,115 |
| Fair value (gain) loss on held-for-trading investments | (2,447) | 139 |
| Fair value loss on derivative financial instruments | 428 | 558 |
| Finance costs | 24,480 | 21,793 |
| Impairment loss on trade receivables | 21,940 | 11,712 |
| Interest income | (10,792) | (11,653) |
| Loss on disposal of property, plant and equipment | 12,514 | 12,902 |
| Loss on disposal of held-for-trading investments | — | 49 |
| Reversal of impairment loss on trade receivables | (3,485) | (4,544) |
| Write down of inventories | 6,949 | 13,836 |
| Operating cash flows before movements in working capital | 781,129 | 707,354 |
| Increase in inventories | (158,395) | (144,774) |
| Increase in trade and other receivables, deposits and prepayments | (208,221) | (105,610) |
| Decrease in bills receivable | 3,182 | 16,087 |
| Decrease (increase) in trade receivables from an associate | 750 | (859) |
| Increase in trade and other payables | 230,453 | 164,456 |
| Increase in bills payable | 815 | 16,697 |
| Increase in warranty provision | 13,827 | 6,517 |
| Increase (decrease) in retirement benefit obligations | 18,373 | (1,718) |
| Net payment for purchase of shares for share award scheme | (3,455) | (9,309) |
| Cash generated from operations | 678,458 | 648,841 |
| Interest paid | (24,480) | (21,793) |
| Hong Kong Profits Tax paid | (5,441) | (4,174) |
| Overseas tax paid | (51,048) | (53,994) |
| Overseas tax refunded | 812 | 14,694 |
| Net Cash from Operating Activities | 598,301 | 583,574 |

| | 2017 US\$'000 | 2016 US\$'000 |
|--|------------------|------------------|
| Investing Activities | | |
| Additions to intangible assets | (131,415) | (116,277) |
| Interest received | 10,792 | 11,653 |
| Proceeds from disposal of held-for-trading investment | — | 928 |
| Proceeds from disposal of property, plant and equipment | 9,676 | 975 |
| Purchase of available-for-sale investment | (3,081) | — |
| Purchase of held-for-trading investment | (29,846) | — |
| Purchase of property, plant and equipment | (203,630) | (186,604) |
| Repayment from associates | 887 | 2,921 |
| Net Cash used in Investing Activities | (346,617) | (286,404) |
| Financing Activities | | |
| (Decrease) increase in discounted bills with recourse | (6,060) | 16,268 |
| Dividends paid | (136,285) | (102,121) |
| New bank loans obtained | 2,206,220 | 1,668,892 |
| Proceeds from issue of shares | 3,787 | 1,704 |
| Repayment of bank loans | (2,275,477) | (1,819,587) |
| Repayment of obligations under finance leases | (3,786) | (2,653) |
| Buy-back of shares | (5,388) | (5,425) |
| Net Cash used in Financing Activities | (216,989) | (242,922) |
| Net Increase in Cash and Cash Equivalents | 34,695 | 54,248 |
| Cash and Cash Equivalents at Beginning of the Year | 803,085 | 770,771 |
| Effect of Foreign Exchange Rate Changes | 25,735 | (21,934) |
| Cash and Cash Equivalents at End of the Year | 863,515 | 803,085 |
| Analysis of the Balances of Cash and Cash Equivalents | | |
| Represented by: | | |
| Bank balances, deposits and cash | 863,515 | 804,741 |
| Bank overdrafts | — | (1,656) |
| | 863,515 | 803,085 |