

Consolidated Cash Flow Statement

For the year ended 31st December, 2006

	NOTE	2006 HK\$'000	2005 HK\$'000
OPERATING ACTIVITIES			
Profit before taxation		25,122	53,753
Adjustments for:			
Depreciation and amortisation		35,954	35,441
Finance costs		6,822	7,196
Increase in fair value of investment properties		(4,893)	–
Gain on disposal of a subsidiary		–	(5,828)
Interest income		(2,678)	(1,894)
Impairment losses (reversal of impairment loss) recognised in respect of accounts receivables		10,945	(831)
Release of prepaid lease payments		229	229
(Gain) loss on disposal of property, plant and equipment		(58)	62
Operating cash flows before movements in working capital		71,443	88,128
Increase in inventories		(22,963)	(4,902)
(Increase) decrease in accounts receivables		(24,390)	1,973
(Increase) decrease in deposits, prepayments and other receivables		(4,241)	1,206
Increase (decrease) in accounts payables		5,535	(7,973)
Increase in accrued charges and other payables		1,519	18,224
Net cash generated from operations		26,903	96,656
Income tax paid		(6,700)	(13,818)
Income tax refunded		1,732	100
NET CASH FROM OPERATING ACTIVITIES		21,935	82,938
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(18,213)	(39,987)
Interest received		2,678	1,894
Proceeds from disposal of property, plant and equipment		188	50
Disposal of a subsidiary	28	–	73,025
NET CASH (USED IN) FROM INVESTING ACTIVITIES		(15,347)	34,982

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FINANCING ACTIVITIES		
Repayment of bank loans	(40,131)	(39,846)
Dividends paid	(24,043)	(24,043)
Repayment of import loans	(14,009)	(13,306)
Interest paid	(6,822)	(5,315)
New bank loans raised	20,000	36,560
New import loans raised	6,633	19,413
Redemption of preference shares	–	(48,500)
Preference shares dividends paid	–	(709)
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NET CASH USED IN FINANCING ACTIVITIES	(58,372)	(75,746)
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NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(51,784)	42,174
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CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	138,214	96,040
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CASH AND CASH EQUIVALENTS AT END OF THE YEAR , represented by bank balances and cash	86,430	138,214
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