

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2004

	2004 HK\$'000	2003 HK\$'000
OPERATING ACTIVITIES		
Profit from operations	57,118	33,013
Adjustments for:		
Surplus on revaluation of investment properties	(7,525)	(960)
Depreciation	51,298	45,617
Allowance for doubtful debts, net	6,315	–
Allowance for inventories, net	1,882	–
Amortisation of goodwill arising from the acquisition of subsidiaries	4,647	–
Impairment loss recognised in respect of plant and machinery	–	13,370
Loss on disposal of investment properties	–	951
(Gain) loss on disposal of property, plant and equipment	(1,308)	268
Interest income	(1,164)	(848)
Operating cash flows before movements in working capital	111,263	91,411
Increase in inventories	(18,149)	(14,804)
Increase in trade receivables	(988)	(37,836)
(Increase) decrease in prepayments, deposits and other receivables	(8,966)	32,813
Decrease in trade and bills payables	(22,022)	(7,366)
Increase in other payables and accruals	23,757	7,889
(Decrease) increase in amount due to SNP Group	(4,922)	1,545
(Decrease) increase in amounts due to associates	(3,999)	6,144
Cash generated from operations	75,974	79,796
Hong Kong Profits Tax paid	(11,133)	(12)
PRC income tax paid	(4,095)	(4,194)
Overseas taxes paid	(247)	–
NET CASH GENERATED FROM OPERATING ACTIVITIES	60,499	75,590

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for the year ended 31 December 2004

	Notes	2004 HK\$'000	2003 HK\$'000
INVESTING ACTIVITIES			
Acquisition of subsidiaries	28	(383,872)	–
Purchase of property, plant and equipment	29	(38,064)	(52,802)
Purchase of other investments		(622)	–
Proceeds from disposal of property, plant and equipment		6,313	2,839
Dividend received from an associate		1,964	1,964
Interest received		1,164	848
Repayment to an associate		–	(23,759)
Proceeds from disposal of interests in subsidiaries		–	26,116
Proceeds from disposal of investment properties		–	9,709
NET CASH USED IN INVESTING ACTIVITIES		(413,117)	(35,085)
FINANCING ACTIVITIES			
New bank loans raised		549,600	27,000
Repayment of bank loans		(101,326)	(56,338)
Dividend paid		(20,137)	(20,137)
Interest paid		(4,111)	(3,459)
Repayment of obligations under finance leases		(564)	–
Dividend paid to minority shareholders		(283)	(1,418)
NET CASH GENERATED FROM (USED IN) FINANCING ACTIVITIES		423,179	(54,352)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		70,561	(13,847)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		80,760	94,607
EFFECT OF FOREIGN EXCHANGE RATE CHANGES, NET		491	–
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR, represented by bank balances and cash		151,812	80,760