

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December, 2004

	2004 HK\$'000	2003 HK\$'000 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	57,389	33,872
Adjustments for:		
Allowance for bad and doubtful debts	9,681	–
Bank interest income	(2,280)	(2,203)
Interest expenses	–	3,517
Depreciation and amortisation	8,020	7,753
Gain on disposal of property, plant and equipment	(150)	(97)
Allowance for obsolete inventories	3,339	–
Unrealised holding gain on other investments	(14,886)	–
Operating cash flows before movements in working capital	61,113	42,842
(Increase) decrease in inventories	(4,960)	1,854
Decrease (increase) in trade and other receivables	108,052	(84,979)
Increase (decrease) in trade and other payables	11,975	(203)
Increase in other investments	(37,340)	–
(Increase) decrease in convertible note receivables	(5,500)	10,500
Cash from (used in) operations	133,340	(29,986)
Hong Kong Profits Tax paid	(6,733)	(2,414)
Interest paid	–	(3,702)
NET CASH FROM (USED IN) OPERATING ACTIVITIES	126,607	(36,102)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of club membership	–	(160)
Purchase of property, plant and equipment	(5,884)	(2,675)
Interest received from bank	2,280	2,203
Proceeds on disposals of property, plant and equipment	150	183
NET CASH USED IN INVESTING ACTIVITIES	(3,454)	(449)
CASH OUTFLOW USED IN FINANCING ACTIVITY		
Dividends paid	(13,788)	(7,131)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	109,365	(43,682)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	200,593	244,275
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	309,958	200,593
ANALYSIS OF THE BALANCE OF CASH AND CASH EQUIVALENTS		
Short-term bank deposits	306,635	198,737
Bank balances and cash	3,323	1,856
	309,958	200,593