

Consolidated Cash Flow Statement

For the year ended 31st December, 2004

	2004 US\$'000	2003 US\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	51,688	32,105
Adjustments for:		
Depreciation	7,308	6,981
Loss on disposal of property, plant and equipment	148	457
Gain on disposal of a subsidiary	(168)	–
Share of results of associates	(1,285)	(1,088)
Share of results of jointly controlled entities	(21,837)	(5,100)
Amortisation of patents	206	253
Amortisation of goodwill	240	80
Amortisation of other assets	483	359
Interest element of finance leases	–	1
Interest income	(1,221)	(299)
Interest expenses	4,372	3,582
Operating cash flows before movements in working capital	39,934	37,331
Increase in inventories	(99,621)	(6,022)
Decrease in accounts receivable	28,558	30,828
Decrease (increase) in prepayments and other receivables	15,852	(65,916)
Decrease in amount due from ultimate holding company	–	100
Decrease (increase) in amounts due from fellow subsidiaries	82	(70)
(Increase) decrease in amounts due from associates	(184)	583
Increase in amounts due from jointly controlled entities	(5,738)	(7,723)
Decrease (increase) in amounts due from related companies	750	(573)
Increase (decrease) in accounts payable	16,551	(1,766)
Increase (decrease) in accruals and other payables	12,767	(1,490)
Increase (decrease) in bills payable	35,445	(4,428)
Increase (decrease) in amount due to ultimate holding company	1,274	(1,331)
Increase in amounts due to associates	250	20
Decrease in amounts due to jointly controlled entities	(34)	(158)
Cash generated from (used in) operations	45,886	(20,615)
Interest paid	(4,372)	(3,583)
Taxation paid	(2,092)	(1,943)
Taxation refunded	–	1,470
Net cash from (used in) operating activities	39,422	(24,671)

Consolidated Cash Flow Statement (Continued)

For the year ended 31st December, 2004

	Notes	2004 US\$'000	2003 US\$'000
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(15,971)	(14,202)
(Increase) decrease in pledged deposit		(6,790)	1,042
Additions to other assets		(510)	(354)
Increase in investment in associates		(213)	(120)
Increase in investment in jointly controlled entities		(5,000)	(10,663)
Proceeds on disposal of property, plant and equipment		78	630
Increase in interest of a subsidiary		(8,770)	(3)
Disposal of a subsidiary	36	(1,413)	–
Acquisition of subsidiaries	37	–	32,687
Dividends received from associates and jointly controlled entities		1,975	1,092
Interest received		1,221	299
Net cash (used in) from investing activities		(35,393)	10,408
CASH FLOWS FROM FINANCING ACTIVITIES			
New bank loans		140,238	160,489
Repayment of bank loans		(150,158)	(130,384)
Capital repayment of finance leases		–	(6)
Dividends paid to minority shareholders		(12,625)	(4,139)
Dividends paid		(6,700)	(5,543)
Proceeds from issue of shares, net of expenses		43,414	16,768
Net cash from financing activities		14,169	37,185
NET INCREASE IN CASH AND CASH EQUIVALENTS		18,198	22,922
CASH AND CASH EQUIVALENTS AT 1ST JANUARY		44,485	21,567
Effect of foreign exchange rate changes		(7)	(4)
CASH AND CASH EQUIVALENTS AT 31ST DECEMBER		62,676	44,485
BALANCE OF CASH AND CASH EQUIVALENTS REPRESENTED BY:			
Bank balances and cash		62,676	44,485