

# CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 December 2004

	Notes	2004 HK\$'000	2003 HK\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		<b>131,857</b>	88,998
Adjustments for:			
Depreciation of owned assets	6	<b>14,570</b>	5,899
Amortisation of intangible assets	6	<b>282</b>	424
Loss on disposal of fixed assets	6	<b>722</b>	70
Foreign exchange (gains)/losses, net	6	<b>115</b>	(402)
Interest income	5, 6	<b>(222)</b>	(2,114)
Gain on disposal of short term investments	5, 6	<b>(259)</b>	(4,071)
Dividend income from short term investments	5, 6	<b>(251)</b>	(770)
Goodwill impairment	15	<b>4,657</b>	–
Operating profit before working capital changes		<b>151,471</b>	88,034
Increase in inventories		<b>(41,048)</b>	(17,318)
(Increase)/decrease in accounts receivable		<b>(11,295)</b>	240
Increase in prepayments, deposits and other receivables		<b>(42,781)</b>	(16,859)
Increase in accounts payable		<b>40,553</b>	7,545
Increase in other payables and accruals		<b>6,699</b>	23,518
Cash generated from operations		<b>103,599</b>	85,160
Net cash inflow from operating activities		<b>103,599</b>	85,160
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchases of fixed assets	13	<b>(64,555)</b>	(56,671)
Purchases of intangible assets	14	–	(7,343)
Acquisition of business	25(b)	<b>(4,895)</b>	–
Proceeds from disposal of fixed assets		–	80
Net proceeds from disposal of short term investments		<b>259</b>	4,071
Dividends income from short term investments		<b>251</b>	770
Interest received		<b>222</b>	2,114
Net cash outflow from investing activities		<b>(68,718)</b>	(56,979)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
New bank loan	20, 21	<b>13,000</b>	–
Repurchase of shares		–	(11,102)
Exercise of share options	23, 24	<b>17,633</b>	5,329
Dividends paid		<b>(57,148)</b>	(32,854)
Net cash outflow from financing activities		<b>(26,515)</b>	(38,627)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		<b>8,366</b>	(10,446)
Cash and cash equivalents at beginning of year	25(a)	<b>77,392</b>	87,838
CASH AND CASH EQUIVALENTS AT END OF YEAR		<b>85,758</b>	77,392
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances	25(a)	<b>85,758</b>	77,392