

Consolidated Cash Flow Statement

For the year ended 31st December, 2004

	2004 HK\$'000	2003 HK\$'000
OPERATING ACTIVITIES		
Profit from operations	9,562	27,978
Adjustments for:		
Dividend income	(52)	(37)
Gain on disposal of unlisted equity securities	(84)	–
Gain on disposal of property, plant and equipment	(182)	–
Interest income	(40)	(416)
Unrealised holding gains on listed trading securities	(377)	(322)
Amortisation of goodwill	283	335
Depreciation	11,141	8,306
Operating cash flows before movements in working capital	20,251	35,844
Increase in inventories	(10,127)	(6,333)
(Increase) decrease in trade and other receivables	(8,717)	3,981
Decrease in bills receivable	–	1,539
Increase (decrease) in trade and other payables	6,242	(5,033)
Cash generated from operations	7,649	29,998
Hong Kong Profits Tax paid	(569)	(519)
Taxation in other jurisdictions paid	(1,184)	(1,235)
NET CASH FROM OPERATING ACTIVITIES	5,896	28,244
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(31,966)	(22,527)
Purchase of unlisted equity securities	(1,500)	–
Proceeds from disposal of unlisted equity securities	1,243	–
Proceeds from disposal of property, plant and equipment	700	–
Interest received	40	416
Dividends received	52	37
NET CASH USED IN INVESTING ACTIVITIES	(31,431)	(22,074)
FINANCING ACTIVITIES		
New bank loan raised	8,000	–
Net proceeds from issue of shares on placing and public offer	–	41,552
Interest paid	(191)	(265)
Repayment of bank loans	(3,327)	(2,667)
Dividends paid	(4,400)	(4,400)
NET CASH FROM FINANCING ACTIVITIES	82	34,220
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(25,453)	40,390
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	62,124	21,734
CASH AND CASH EQUIVALENTS CARRIED FORWARD, represented by bank balances and cash	36,671	62,124