

	2004 HK\$'000	2003 HK\$'000
<b>Operating activities</b>		
Profit from operations	111,957	91,044
Adjustments for:		
Depreciation and amortisation of property, plant and equipment	47,412	44,696
Amortisation of goodwill	510	510
Revaluation (increase) decrease in investment property	(700)	400
Interest income	(706)	(1,766)
(Gain) loss on disposal of property, plant and equipment	(626)	1,774
Gain on disposal of other investment	-	(46)
Impairment loss recognised in respect of property, plant and equipment	-	1,400
Dividend income from other investment	-	(76)
Operating cash flows before movements in working capital	157,847	137,936
Increase in inventories	(36,849)	(10,989)
Increase in debtors, deposits and prepayments	(52,222)	(9,680)
Increase in creditors and accrued charges	34,349	4,250
Effect on foreign exchange rate changes	(2)	(115)
Cash generated from operations	103,123	121,402
Hong Kong Profits Tax paid	(19,153)	(7,609)
<b>Net cash from operating activities</b>	<b>83,970</b>	<b>113,793</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment	(69,815)	(39,142)
Purchase of investment securities	(13,653)	-
Decrease (increase) in pledged bank deposits	15,850	(7,142)
Proceeds from disposal of property, plant and equipment	5,840	914
Interest received	706	1,766
Increase in loan receivable	-	(20,982)
Proceeds from disposal of other investment	-	3,806
Disposal of subsidiaries	-	2,172
Dividend received from other investment	-	76
<b>Net cash used in investing activities</b>	<b>(61,072)</b>	<b>(58,532)</b>

	2004 HK\$'000	2003 HK\$'000
<b>Financing activities</b>		
Dividends paid	(90,653)	(86,484)
Interest paid	(53)	(43)
Proceeds from issue of shares	1,989	2,165
Repayment of bank loans	-	(1,540)
<b>Net cash used in financing activities</b>	<b>(88,717)</b>	<b>(85,902)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(65,819)</b>	<b>(30,641)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>174,128</b>	<b>204,769</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>108,309</b>	<b>174,128</b>
Being:		
Bank balances and cash	<b>108,309</b>	<b>174,128</b>