

Consolidated Cash Flow Statement

For the Year Ended 31 December 2004

	2004 HK\$'000	2003 HK\$'000
OPERATING ACTIVITIES		
Profit before taxation	381,962	211,162
Adjustments for:		
Interest income	(4,352)	(1,771)
Interest expenses	12,870	26,030
Share of results of associates	(64,005)	(23,727)
Loss on deemed disposal of a partial interest in an associate	813	13,479
Loss on disposal of a jointly controlled entity	–	177
(Surplus) deficit arising on revaluation of investment properties	(749)	1,791
Loss (gain) on disposal of property, plant and equipment	24,044	(2,303)
Gain on disposal of an investment property	(1,397)	–
Depreciation and amortisation of property, plant and equipment	64,260	70,419
Amortisation of intangible assets	1,026	1,385
Amortisation of goodwill	6,095	3,634
Impairment loss recognised in respect of investment securities	11,503	7,982
Write-back of allowance for inventories	(20)	(2,715)
Write-back of allowance for bad and doubtful debt, net	(14,915)	(20,360)
Write-back of other payables and accrued liabilities	(75)	(192)
Write-back of an amount due to a related company	–	(765)
Operating cash flows before movements in working capital	417,060	284,226
Increase in amounts due from customers for contract work	(2,265)	(6,229)
Increase in inventories	(59,008)	(42,019)
(Increase) decrease in trade and bill receivables	(67,505)	70,726
Decrease (increase) in prepayments, deposits and other receivables	2,836	(30,306)
Decrease (increase) in amounts due from related companies	23,530	(51,963)
Increase in amounts due from associates	(15,972)	–
Decrease in amounts due to customers for contract work	(1,270)	(4,069)
Increase (decrease) in trade and bill payables	740	(10,613)
Increase in other payables and accrued liabilities	144,860	39,074
Decrease in amounts due to related companies	(13,295)	(19,691)
Cash generated from operations	429,711	229,136
Interest paid	(12,870)	(26,030)
Income taxes paid	(28,835)	(23,307)
Income taxes refunded	10,001	–
NET CASH FROM OPERATING ACTIVITIES	398,007	179,799



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For the Year Ended 31 December 2004



Notes	2004 HK\$'000	2003 HK\$'000
INVESTING ACTIVITIES		
Acquisition of an associate	(140,094)	–
Acquisition of additional interest in a subsidiary	(86,132)	–
Purchase of property, plant and equipment	(27,566)	(22,311)
Proceeds from disposal of property, plant and equipment	12,024	10,346
Decrease in pledged deposits	8,011	–
Dividends received	5,594	4,247
Proceeds from disposal of investment properties	4,827	–
Interest received	4,352	1,771
Deposit made for acquisition of an investment in an associate	–	(123,862)
Proceeds from disposal of a jointly controlled entity	–	1,050
Deferred product design fees paid	–	(368)
NET CASH USED IN INVESTING ACTIVITIES	(218,984)	(129,127)
FINANCING ACTIVITIES		
Repayment of bank borrowings	(258,832)	(153,844)
Repayment of loans from a fellow subsidiary	(146,608)	–
Dividend paid to minority shareholders of a subsidiary	(9,213)	(1,432)
Repayment of amounts advanced from related companies	(7,988)	(287,774)
Repayment of an obligation under a finance lease	(267)	–
New borrowings raised	320,629	239,837
Net proceeds from issue of shares	237,272	111,921
Capital contribution from a minority shareholder of a subsidiary	883	–
Amounts advanced from related companies	–	35,670
NET CASH FROM (USED IN) FINANCING ACTIVITIES	135,876	(55,622)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	314,899	(4,950)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	153,147	158,097
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	468,046	153,147
Represented by:		
Bank balances and cash	468,046	153,305
Bank overdrafts	–	(158)
	468,046	153,147