

## Consolidated Cash Flow Statement

For the year ended 31 December 2004

	2004 HK\$'000	2003 HK\$'000 (restated)
<b>OPERATING ACTIVITIES</b>		
Profit before taxation	123,226	100,754
Adjustments for:		
Allowance for advances to associates written back	(58,627)	(41,110)
Allowance for bad and doubtful debts written back	(8,019)	(15,386)
Allowance for inventories made	40,605	6,874
Amortisation of goodwill	–	1,705
Decrease in biological assets due to harvest	123	–
Depreciation and amortisation of property, plant and equipment	41,979	50,788
Dividend income from listed investments	(325)	–
Loss (gain) on disposal of non-trading securities	268	(8,884)
Impairment loss recognised on land and buildings	–	26
Land pending development written off	5,000	–
Impairment loss recognised on non-trading securities	–	2,013
Discount on acquisition of an additional interest in a subsidiary	(15,665)	–
Interest expenses	9,675	9,261
Interest income	(2,571)	(5,017)
(Increase) decrease in fair value of investment properties	(25,833)	5,412
(Gain) loss arising from changes in fair value of fruit trees	(123)	3,827
(Gain) loss on disposal of property, plant and equipment	(1,056)	631
Share of results of associates	11,163	5,527
Operating cash flows before movements in working capital	119,820	116,421
Decrease in trade and other receivables	11,483	31,488
Increase in inventories	(90,710)	(56,230)
Increase in properties held for sale	–	(2,721)
Decrease (increase) in amounts due from fellow subsidiaries	23	(10)
Increase in trade and other payables	19,896	11,106
Decrease in amounts due to fellow subsidiaries	(8)	(120)
Cash generated from operations	60,504	99,934
Hong Kong Profits Tax paid	(10,240)	(814)
The People's Republic of China (excluding Hong Kong and Macau) ("PRC") income tax paid	(675)	(762)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>49,589</b>	<b>98,358</b>

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For the year ended 31 December 2004

	Notes	2004 HK\$'000	2003 HK\$'000 (restated)
<b>INVESTING ACTIVITIES</b>			
Purchases of property, plant and equipment		(24,974)	(44,418)
Purchase of non-trading securities		(5,123)	(42,305)
Acquisition of subsidiaries	37	1,364	(9,971)
Advance to an intermediate holding company		–	(9,724)
Advances to associates, net		(3,550)	(3,334)
Acquisition of additional interests in a subsidiary	7	(22,018)	(944)
Increase in pledged bank deposits		(2,550)	(812)
Dividend received from an associate		–	24,176
Proceeds on disposal of non-trading securities		34,577	20,797
Interest received		2,571	5,017
Disposal of property, plant and equipment		1,799	647
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(17,904)</b>	<b>(60,871)</b>
<b>FINANCING ACTIVITIES</b>			
Repayment of bank loans		(219,198)	(106,372)
Increase (decrease) in trust receipt loans		21,831	(17,887)
Advance from an intermediate holding company		4,151	–
Repayment of advances from minority shareholders		(378)	(16,929)
Interests paid		(9,246)	(9,261)
Dividends paid		(10,607)	–
Dividends paid to minority shareholders of subsidiaries		(3,561)	(3,652)
Dividends received from listed investments		325	–
Repayment of obligations under finance leases		(8,191)	(2,844)
Repayment to associates		–	(163)
New bank loans raised		191,058	118,674
Capital contribution from minority shareholders of subsidiaries		–	100
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<b>(33,816)</b>	<b>(38,334)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(2,131)</b>	<b>(847)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>		<b>89,703</b>	<b>91,581</b>
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>		<b>91</b>	<b>(1,031)</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>		<b>87,663</b>	<b>89,703</b>
<b>ANALYSIS OF THE BALANCE OF CASH AND CASH EQUIVALENTS</b>			
Bank balances and cash		113,365	124,962
Bank overdrafts		(25,702)	(35,259)
		<b>87,663</b>	<b>89,703</b>