

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER, 2004

	<u>2004</u> HK\$' 000	<u>2003</u> HK\$' 000
OPERATING ACTIVITIES		
Profit from operations	70,379	71,047
Adjustments for:		
Unrealised loss (gain) on other investments	600	(8,000)
Surplus arising on revaluation of investment properties	(9,540)	(5,290)
Interest income from bank deposits	(2,631)	(1,742)
Depreciation and amortisation	2,165	1,970
Gain on disposal of property, plant and equipment	(374)	(173)
	60,599	57,812
Operating cash flows before movements in working capital		
Increase in inventories	(57,502)	(31,194)
Increase in debtors, deposits and prepayments	(25,985)	(16,368)
Decrease (increase) in bills receivable	4,935	(17,627)
Increase (decrease) in other investments	(10,339)	11,650
(Decrease) increase in creditors and accrued charges	(17,151)	18,080
	(45,443)	22,353
Cash (used in) generated from operations		
Hong Kong Profits Tax paid	(4,970)	(3,423)
Profits tax outside Hong Kong paid	(1,888)	(1,120)
	(52,301)	17,810
NET CASH (USED IN) FROM OPERATING ACTIVITIES		
INVESTING ACTIVITIES		
Decrease (increase) in long term bank deposits	7,720	(38,800)
Purchase of property, plant and equipment	(3,407)	(2,132)
Decrease (increase) in equity-linked deposits	342	(912)
Purchase of investment securities	(7,946)	(543)
Interest received from bank deposits	2,631	1,742
Proceeds from disposal of investment securities	7,800	-
Proceeds from disposal of property, plant and equipment	396	216
	7,536	(40,429)
NET CASH FROM (USED IN) INVESTING ACTIVITIES		

	<u>2004</u> HK\$' 000	<u>2003</u> HK\$' 000
FINANCING ACTIVITIES		
New bank borrowings raised	62,271	60,819
Dividends paid	(55,688)	(13,365)
Interest paid	(4,052)	(3,805)
Dividends paid to minority shareholders of subsidiaries	(174)	(310)
Amount repaid to minority shareholder of a subsidiary	(938)	(172)
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NET CASH FROM FINANCING ACTIVITIES	1,419	43,167
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NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(43,346)	20,548
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	207,012	186,168
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	161	296
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CASH AND CASH EQUIVALENTS AT END OF THE YEAR	163,827	207,012
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ANALYSIS OF THE BALANCE OF CASH AND CASH EQUIVALENTS		
Short term bank deposits	96,157	127,950
Bank balances and cash	67,670	79,175
Bank overdrafts	-	(113)
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	163,827	207,012
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