

Consolidated Cash Flow Statement

For the year ended 31 December 2004

36

	Note	2004 HK\$'000	2003 HK\$'000
Cash flows from operating activities			
Profit from operations		89,533	55,418
Adjustments for:			
Depreciation and amortisation		10,746	7,753
(Gain)/loss on disposals of fixed assets		(19)	216
Interest income		(280)	(59)
Bad debts written off		–	116
Reduction in provision for doubtful debts		–	(141)
Impairment loss on fixed assets		970	–
Operating profit before working capital changes		100,950	63,303
Decrease/(increase) in inventories		282	(9,665)
Increase in trade and other receivables		(113,296)	(63,660)
(Increase)/decrease in prepayments and deposits		(20,412)	12,016
Decrease in amount due to a director		–	(6,906)
Increase in trade and other payables		37,211	17,984
Increase in bills payables		1,611	6,444
Cash generated from operating activities		6,346	19,516
Interest paid		(8,297)	(7,109)
Finance lease charges		(977)	(1,667)
PRC enterprise income tax paid		(4,374)	(4,065)
Net cash (used in)/generated from operating activities		(7,302)	6,675
Cash flows from investing activities			
Decrease/(increase) in pledged bank deposits		23,590	(5,489)
Purchases of fixed assets		(70,913)	(15,264)
Dividend received from an associated company		53,171	32,089
Dividend paid		(62,000)	(46,130)
Proceeds from disposals of fixed assets		237	1,078
Interest received		280	59
Deposit paid for acquisition of an associated company	17	(91,875)	–
Acquisition of a subsidiary	26	80	–
Net cash used in investing activities		(147,430)	(33,657)

The notes on pages 38 to 69 form an integral part of these financial statements.

Consolidated Cash Flow Statement

For the year ended 31 December 2004

	Note	2004 HK\$'000	2003 HK\$'000
Cash flows from financing activities			
Proceeds on issue of Shares		187,200	–
Issue of new Shares		800	–
Share issue expenses		(19,402)	–
Deposit received from a subscriber	24(g)	81,875	–
Short term bank loans raised, net		32,641	42,319
Payment of finance lease capital element, net		(2,321)	(11,128)
Net cash from financing activities		280,793	31,191
Net increase in cash and cash equivalents			
		126,061	4,209
Exchange differences arising on consolidation		75	(120)
Cash and cash equivalents at 1 January			
		6,629	2,540
Cash and cash equivalents at 31 December			
		132,765	6,629
Analysis of cash and cash equivalents			
Bank and cash balances		132,765	11,136
Bank overdrafts		–	(4,507)
		132,765	6,629

The notes on pages 38 to 69 form an integral part of these financial statements.