

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2004

		Year ended 31 December 2004	Period from 1 April 2003 to 31 December 2003
	Notes	HK\$'000	HK\$'000
Cash flows from operating activities			
Profit before taxation		20,865	33,038
Adjustments for:			
Finance costs	6	4,966	751
Share of profits and losses of associates		(23,302)	(25,728)
Amortisation of goodwill		4,989	3,069
Interest income		(22)	(30)
Gain on disposal of a long term investment	4	–	(18,911)
Net realised losses/(gains) on trading of short term listed equity investments	4&5	1,881	(2,703)
Net unrealised holding losses/(gains) on short term listed equity investments	4&5	1,031	(103)
Depreciation	5	11,330	836
Provision for doubtful debts	5	6,689	2,243
Gain on disposals of property, plant and equipment	5	(74)	–
Gain on disposal of a subsidiary	5	(2,876)	–
Operating profit/(loss) before working capital changes		25,477	(7,538)
(Increase)/decrease in inventories		(20,442)	1,194
Decrease in trade and bills receivables		29,493	1,546
(Increase)/decrease in prepayments, deposits and other receivables		(10,407)	10,232
(Increase)/decrease in short term investments		(603)	103
Decrease in account and bills payables		(5,882)	(2,702)
Increase/(decrease) in other payables and accruals		11,128	(340)
Decrease in amount due to a director		(821)	–
Cash generated from operations		27,943	2,495
Interest received		22	30
Interest paid		(4,966)	(751)
Profits tax (paid)/refunded		(2,780)	76
Net cash inflow from operating activities		20,219	1,850

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Cash flows from investing activities			
Purchase of property, plant and equipment		(2,781)	(62)
Proceeds from disposal of property, plant and equipment		600	–
Purchase of subsidiaries (net of cash and cash equivalent acquired)	31(a)	8,970	–
Disposal of a subsidiary (net of cash and cash equivalent disposed)	31(b)	(4)	–
Proceeds from disposal of a long term investment		–	58,118
Advances of loans to jointly-controlled entities		(11,970)	(39,297)
Repayment from jointly-controlled entities		8,838	–
Decrease in an amount due from an associate		108	400
Decrease/(increase) in pledged bank deposits		1,521	(4)
Net cash inflow from investing activities		5,282	19,155
Cash flows from financing activities			
Repurchase of shares		–	(100)
New bank loans		17,757	–
Repayment of bank loans		(16,013)	(3,022)
Loan from minority shareholders		7,779	–
Dividend paid to a minority shareholder		(8,200)	–
Net cash inflow/(outflow) from financing activities		1,323	(3,122)
Net increase in cash and cash equivalents		26,824	17,883
Cash and cash equivalents at beginning of year/period		23,590	5,707
Cash and cash equivalents at end of year/period		50,414	23,590
Analysis of balances of cash and cash equivalents			
Cash and bank balances		50,414	20,467
Non-pledged bank deposits with original maturity of less than three months when acquired		–	3,123
		50,414	23,590