

CONSOLIDATED CASH FLOW STATEMENT

For the year ended June 30, 2005

	2005 HK\$'000	2004 HK\$'000
Operating activities		
Profit from operations	112,389	108,920
Adjustments for:		
Depreciation and amortisation	27,217	25,787
Loss on disposal of property, plant and equipment	3	444
(Reversal of) allowance for bad and doubtful debts	(1,575)	10,120
Interest income	(1,237)	(539)
Operating cash flows before movements in working capital	136,797	144,732
Increase in inventories	(11,461)	(82,430)
Increase in trade and other receivables	(105,052)	(130,328)
Decrease (increase) in amounts due from associates	1,285	(939)
Increase in trade and other payables	2,221	100,425
Increase in amount due to an associate	924	1,011
Cash generated from operations	24,714	32,471
Overseas tax paid	(3,694)	(3,826)
Interest received	1,237	539
Interest paid	(8,820)	(6,383)
Net cash from operating activities	13,437	22,801
Investing activities		
Purchase of property, plant and equipment	(45,493)	(57,025)
Increase in pledged bank deposits	(10,615)	(7,002)
Dissolution of subsidiary (<i>note 28</i>)	(233)	–
Proceed from disposal of property, plant and equipment	–	24
Net cash used in investing activities	(56,341)	(64,003)
Financing activities		
Bank borrowings raised	142,465	156,955
Proceeds from issue of new shares	90,376	–
Repayment of bank borrowings	(128,535)	(92,952)
Dividend paid	(38,000)	(20,000)
Expenditure on issue of new shares	(11,480)	–
Repayment of obligations under finance leases	(3,448)	(2,423)
Inception of finance leases under sale and leaseback arrangement	–	8,590
Capital contribution from shareholders	–	100

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	2005 <i>HK\$'000</i>	2004 <i>HK\$'000</i>
Net cash from financing activities	<u>51,378</u>	<u>50,270</u>
Increase in cash and cash equivalents	8,474	9,068
Cash and cash equivalents at beginning of year	75,281	66,277
Effect of foreign exchange rate changes	<u>(138)</u>	<u>(64)</u>
Cash and cash equivalents at end of year, representing bank balances and cash	<u><u>83,617</u></u>	<u><u>75,281</u></u>