

Consolidated Cash Flow Statement

For the year ended 31 December 2005

	2005 HK\$'000	2004 HK\$'000 (restated)
OPERATING ACTIVITIES		
Profit before tax	77,557	56,196
Adjustments for:		
Share of results of associates	(3,544)	(3,858)
Amortisation of goodwill arising from the acquisition of an associate	–	403
Finance costs	26,594	4,111
Surplus on revaluation of investment properties	–	(7,525)
Depreciation	72,397	50,375
Allowance for doubtful debts, net	2,552	6,315
(Reversal of) write-down of inventories, net	(3,145)	1,882
Amortisation of goodwill arising from the acquisition of subsidiaries	–	4,647
Share-based payments expense	466	266
Gain on disposal of property, plant and equipment	(2,065)	(1,308)
Interest income	(2,140)	(1,164)
Increase in fair value of held-for-trading investments	(44)	–
Decrease in fair value of derivative financial instruments	3,692	1,201
Operating cash flows before movements in working capital	172,320	111,541
Decrease (increase) in inventories	5,404	(18,149)
Increase in trade and bills receivables	(152,727)	(988)
Decrease (increase) in prepayments, deposits and other receivables	5,738	(8,966)
Increase (decrease) in trade and bills payables	24,024	(22,022)
(Decrease) increase in other payables and accruals	(20,273)	22,556
Decrease in amount due to SNP Group	(1,039)	(4,922)
Increase (decrease) in amounts due to associates	10,240	(3,999)
Cash generated from operations	43,687	75,051
Hong Kong Profits Tax refunded (paid)	2,482	(11,133)
PRC income tax paid	(6,856)	(4,095)
Overseas taxes paid	(435)	(247)
NET CASH FROM OPERATING ACTIVITIES	38,878	59,576

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For the year ended 31 December 2005

	<i>Notes</i>	2005 <i>HK\$'000</i>	2004 <i>HK\$'000</i> (restated)
INVESTING ACTIVITIES			
Acquisition of subsidiaries	31	(68,418)	(383,872)
Purchase of property, plant and equipment	32	(89,807)	(38,064)
Purchase of held-for-trading investments		(3,478)	–
Purchase of other investments		–	(622)
Increase in pledged bank deposits		(630)	–
Proceeds from disposal of property, plant and equipment		20,264	6,313
Dividend received from an associate		1,962	1,964
Interest received		2,140	1,164
Decrease in prepaid lease payments		769	923
NET CASH USED IN INVESTING ACTIVITIES		(137,198)	(412,194)
FINANCING ACTIVITIES			
New bank loans raised		404,167	549,600
Proceeds from issue of shares		118,972	–
Repayment of bank loans		(357,655)	(101,326)
Dividend paid		(22,150)	(20,137)
Interest paid		(26,594)	(4,111)
Repayment to minority shareholders		(12,144)	–
Repayment of obligations under finance leases		(3,439)	(564)
Dividend paid to minority shareholders		(378)	(283)
NET CASH FROM FINANCING ACTIVITIES		100,779	423,179
NET INCREASE IN CASH AND CASH EQUIVALENTS		2,459	70,561
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		151,812	80,760
EFFECT OF FOREIGN EXCHANGE RATE CHANGES, NET		(367)	491
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR, represented by bank balances and cash		153,904	151,812