

Consolidated Cash Flow Statement

for the year ended 31st December, 2005

	2005 HK\$'000	2004 HK\$'000
OPERATING ACTIVITIES		
Profit before taxation	286,102	268,692
Adjustments for:		
Interest income	(4,524)	(8,226)
Interest expenses and finance charges	19,158	18,934
Impairment loss recognised in respect of trade receivables	4,627	7,643
Negative goodwill released to income	—	(22)
Amortisation of goodwill	—	21,015
Amortisation of patents and trademarks	—	666
Impairment loss recognised in respect of goodwill	9,060	—
Impairment loss recognised in respect of patents and trademarks	1,056	—
Increase in fair value of investment properties	(7,700)	—
Revaluation surplus of investment properties recognised in income statement	—	(4,900)
Depreciation and amortisation of property, plant and equipment	119,916	83,621
Release of prepaid lease payments	904	809
Gain arising from disposal of property, plant and equipment	(637)	(1,620)
Gain on partial disposal of a subsidiary	—	(399)
Operating cash flows before movements in working capital	427,962	386,213
Increase in inventories	(59,123)	(105,426)
(Increase) decrease in trade and other receivables	(42,713)	21,930
Increase in bills receivable	(7,187)	(10,527)
Increase in prepaid lease payments	—	(8,447)
Increase (decrease) in trade and other payables	63,839	(5,697)
(Decrease) increase in bills payable	(11,116)	15,699
Exchange differences	8,206	8,062
Cash generated from operations	379,868	301,807
Income tax paid	(55,891)	(33,772)
Income tax refunded	10	5,271
Interest expenses and finance charges paid	(19,158)	(18,934)
NET CASH FROM OPERATING ACTIVITIES	304,829	254,372

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for the year ended 31st December, 2005

	2005 HK\$'000	2004 HK\$'000
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(287,022)	(160,245)
Deposit paid for acquisition of property, plant and equipment	(16,883)	(17,073)
Interest received	4,524	8,226
Proceeds on disposal of property, plant and equipment	2,465	2,382
Proceeds on partial disposal of a subsidiary	—	4,662
NET CASH USED IN INVESTING ACTIVITIES	(296,916)	(162,048)
FINANCING ACTIVITIES		
Repayment of bank borrowings	(243,153)	(222,868)
Dividends paid	(117,714)	(98,270)
(Repayment) inception of trust receipt loans	(14,730)	14,730
Dividends paid to a minority shareholder of a subsidiary	(2,000)	—
Repayment of obligations under finance leases	(2)	(26)
New bank borrowings raised	74,770	197,598
Proceeds from new shares issued	2,871	15,457
NET CASH USED IN FINANCING ACTIVITIES	(299,958)	(93,379)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(292,045)	(1,055)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	441,672	442,247
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	(842)	480
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	148,785	441,672
represented by:		
Bank balances and cash	150,582	441,672
Bank overdraft	(1,797)	—
	148,785	441,672