

CONSOLIDATED CASH FLOW STATEMENT

For The Year Ended 31st December, 2005

	2005	2004
	HK\$	HK\$
OPERATING ACTIVITIES		
Loss before taxation	(17,569,724)	(2,122,562)
Adjustments for:		
Share of losses of associates	190,674	110,119
Release of prepaid lease payments	539,594	398,884
Depreciation of property, plant and equipment	20,812,233	23,625,359
Gain on disposal of investments held for trading	(64,182)	-
Gain on disposal of investments in securities	-	(1,509,444)
Loss (gain) on disposals of property, plant and equipment	62,074	(7,597)
Loss on disposal of a subsidiary	1,332,358	-
Allowances for bad and doubtful debts	26,122	18,364,096
(Write back) allowance on inventories	(556,232)	268,901
Impairment losses on property, plant and equipment	1,378,241	-
Interest expense	5,275,635	4,486,817
Loss on change in fair value of investments held for trading	53,859	-
Unrealised holding losses on investments in securities	-	602,088
Interest income	(1,661,700)	(485,538)
Operating cash flows before movements in working capital	9,818,952	43,731,123
Decrease in inventories	9,372,491	8,775,898
(Increase) decrease in debtors, bills receivable and prepayments	(18,840,057)	3,507,833
Decrease in amount due from an associate	516,165	-
Increase (decrease) in creditors, bills payable and accrued charges	13,096,508	(16,568,945)
Increase in amount due to an associate	294,000	-
Effect of foreign exchange rate changes	131,869	18,868
Cash generated from operations	14,389,928	39,464,777
Hong Kong Profits Tax paid	(556,893)	(1,925,898)
NET CASH FROM OPERATING ACTIVITIES	13,833,035	37,538,879

CONSOLIDATED CASH FLOW STATEMENT

For The Year Ended 31st December, 2005

	NOTES	2005 HK\$	2004 HK\$
INVESTING ACTIVITIES			
Decrease (increase) in short term bank deposits		23,400,000	(23,400,000)
Purchase of investments in securities		-	(35,100,000)
Purchase of investments held for trading		(2,746,146)	-
Increase in long term bank deposits		-	(15,600,000)
Purchase of property, plant and equipment	16	(14,231,876)	(12,557,417)
Deposits paid for acquisition of land and buildings		-	(7,723,254)
Increase in prepaid lease payments		(744,567)	-
Increase in pledged bank deposits		(43,121)	(9,856)
Proceeds from disposals of investments in securities		-	46,872,392
Proceeds from disposal of investments held for trading		2,231,793	-
Interest received		1,661,700	485,538
Proceeds from disposals of property, plant and equipment		1,759,040	241,292
Disposal of a subsidiary	30	(847,923)	-
NET CASH FROM (USED IN) INVESTING ACTIVITIES		10,438,900	(46,791,305)
FINANCING ACTIVITIES			
New bank borrowings raised		583,933,401	374,561,370
Repayment of bank borrowings		(582,484,410)	(357,319,802)
Dividends paid		(2,389,632)	(11,948,157)
Dividend paid to a minority shareholder of a subsidiary		(3,752,325)	(3,752,325)
Interest paid		(5,275,635)	(4,486,817)
NET CASH (USED IN) FROM FINANCING ACTIVITIES		(9,968,601)	(2,945,731)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		14,303,334	(12,198,157)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		75,158,475	87,356,632
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		89,461,809	75,158,475
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS			
BEING:			
Short term bank deposits		31,885,221	33,609,613
Bank balances and cash		57,576,588	41,548,862
		89,461,809	75,158,475