

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st December, 2005

	2005 HK\$'000	2004 HK\$'000 (restated)
OPERATING ACTIVITIES		
Profit before taxation	57,189	55,275
Adjustments for:		
Interest paid	12	4
Share of profits of associates	(11,591)	(10,490)
Depreciation and amortisation of property, plant and equipment	7,010	6,188
Release of prepaid lease payment	198	67
Loss (gain) on disposal of property, plant and equipment	178	(355)
Allowance for bad and doubtful debts	416	383
Gain on disposal of investment held for trading/other investments, listed	(110)	(1,451)
Dividend income from investment held for trading/other investments, listed	(51)	(448)
Unrealised holding gain on other investments	—	(183)
Interest income	(1,396)	(836)
Operating cash flows before movements in working capital	51,855	48,154
Decrease (increase) in inventories	26,134	(17,842)
Decrease (increase) in trade and other receivables	15,809	(37,456)
(Decrease) increase in trade and other payables	(46,506)	36,511
(Decrease) increase in amount due to a related company	(67)	2
Cash generated from operations	47,225	29,369
Interest paid	(12)	(4)
Hong Kong Profits Tax paid	(3,644)	(4,965)
The PRC income tax paid	(1,717)	(447)
NET CASH FROM OPERATING ACTIVITIES	41,852	23,953
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(19,773)	(18,025)
Advance to an associate	(15,000)	—
Deposits for acquisition of property, plant and equipment	(2,458)	(233)
Payment for prepaid lease payment	(720)	(5,688)
Proceeds from disposal of investment held for trading/other investments, listed	6,776	50,017
Dividend received from an associate	2,250	3,600
Interest received	1,396	836
Proceeds from disposal of property, plant and equipment	1,019	695
Repayment from an associate	500	200
Dividends received from investment held for trading/other investments, listed	51	448
Purchase of other investments	—	(45,104)
NET CASH USED IN INVESTING ACTIVITIES	(25,959)	(13,254)

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st December, 2005

	2005 HK\$'000	2004 HK\$'000 (restated)
CASH USED IN FINANCING ACTIVITY		
Dividends paid	(25,000)	(23,750)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(9,107)	(13,051)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	58,654	71,666
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	165	39
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank balances and cash	49,712	58,654