

# Consolidated Cash Flow Statement

For the year ended 31st December, 2005

<i>Notes</i>	<b>2005</b> <b>HK\$'000</b>	2004 <i>HK\$'000</i>
<b>OPERATING ACTIVITIES</b>		
Profit before tax	<b>257,635</b>	187,582
Adjustments for:		
Interest expenses	<b>77</b>	–
Interest income	<b>(31,806)</b>	(16,544)
Dividends from equity investments	<b>(37)</b>	(45)
Share of results of jointly controlled entities	<b>12,821</b>	2,646
Depreciation and amortisation of property, plant and equipment	<b>32,146</b>	42,520
Amortisation of prepaid lease payments	<b>1,427</b>	1,449
Write-off of moulds	<b>13,585</b>	–
Loss on disposal/write-off of property, plant and equipment	<b>34</b>	135
Gain on disposal of investment securities	<b>–</b>	(292)
Reversal of impairment loss on land held for sale	<b>(19,731)</b>	–
Reversal of impairment loss on prepaid lease payments	<b>–</b>	(7,773)
Net increase in fair value/surplus arising on revaluation of investment properties	<b>(9,200)</b>	(24,390)
Surplus arising on revaluation of buildings	<b>(344)</b>	(134)
(Recovery of) allowances for bad and doubtful debts	<b>(6,530)</b>	14,125
Impairment loss on investment securities	<b>76</b>	259
Amortisation of goodwill of subsidiaries	<b>–</b>	3,179
Operating cash flow before movements in working capital	<b>250,153</b>	202,717
Increase in inventories	<b>(14,711)</b>	(52,893)
Increase in promissory note receivables	<b>(25,009)</b>	–
Decrease (increase) in trade and other receivables	<b>163,199</b>	(74,863)
(Decrease) increase in trade and other payables	<b>(17,068)</b>	54,819
Cash generated from operations	<b>356,564</b>	129,780
Interest paid	<b>(77)</b>	–
Hong Kong Profits Tax paid	<b>(6,435)</b>	(7,066)
Overseas tax paid	<b>(591)</b>	(717)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>349,461</b>	121,997
<b>INVESTING ACTIVITIES</b>		
Interest received	<b>31,806</b>	16,544
Dividends received from equity investments	<b>37</b>	45
Dividends received from a jointly controlled entity	<b>–</b>	6,777
Proceeds from disposal of property, plant and equipment	<b>794</b>	217
Proceeds from disposal of investments in securities	<b>–</b>	19,767
(Advance to) repayment from jointly controlled entities	<b>(2,182)</b>	75,777
Purchases of property, plant and equipment	<b>(41,839)</b>	(38,623)
Purchases of prepaid lease payments	<b>–</b>	(3,187)
Loans to a jointly controlled entity	<b>–</b>	(75,777)
Acquisition of subsidiaries (net of cash and cash equivalents acquired)	<b>–</b>	(62,873)
Purchases of convertible bonds	<b>–</b>	(77,900)
Disposal of subsidiaries (net of cash and cash equivalents disposed)	<b>–</b>	(20,643)
Purchase of interests in jointly controlled entities	<b>(142,580)</b>	–
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(153,964)</b>	(159,876)

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	<b>2005</b> <i>HK\$'000</i>	2004 <i>HK\$'000</i>
<b>FINANCING ACTIVITIES</b>		
Dividends paid	<b>(95,906)</b>	(91,609)
Advance from a jointly controlled entity	<b>11,252</b>	–
Transaction costs attributable to right issue	<b>(4,599)</b>	–
Capital contribution from minority shareholders of a subsidiary	–	22,803
Proceeds from exercise of share options	–	25,688
Proceeds from issue of shares	<b>349,588</b>	–
<b>NET CASH FROM (USED IN) FINANCING ACTIVITIES</b>	<b>260,335</b>	(43,118)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>455,832</b>	(80,997)
<b>CASH AND CASH EQUIVALENTS BROUGHT FORWARD</b>	<b>282,534</b>	364,792
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>	<b>2,076</b>	(1,261)
<b>CASH AND CASH EQUIVALENTS CARRIED FORWARD</b>	<b>740,442</b>	282,534