

CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 December 2005

	Notes	2005 <i>HK\$'000</i>	2004 <i>HK\$'000</i> <i>(Restated)</i>
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		207,099	188,632
Adjustments for:			
Finance costs	10	213	—
Interest income	9	(5,174)	(6,110)
Negative goodwill recognised as income	9	—	(662)
Gain on disposal of an available-for-sale equity investment	9	(374)	—
Depreciation	11	81,204	74,038
Recognition of prepaid land lease payments	11	3,079	2,234
Amortisation of reusable packaging materials	11	22,108	14,059
Loss on disposal of items of property, plant and equipment	11	310	—
Write-off of items of property, plant and equipment, net	11	—	877
Provision for other receivables	11	—	7,000
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Operating profit before working capital changes		308,465	280,068
Increase in inventories		(14,343)	(22,937)
Increase in trade receivables		(11,052)	(16,270)
Decrease/(increase) in prepayments, deposits and other receivables		1,342	(5,561)
Increase in trade payables		26,080	6,157
Decrease in VAT payable		(309)	(4,829)
Increase in other payables and accruals		3,442	13,192
Increase/(decrease) in an amount due to the immediate holding company		1,221	(2,177)
Decrease in an amount due to a fellow subsidiary		(7,451)	(4,863)
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Cash generated from operations		307,395	242,780
Interest received		5,174	6,110
Interest paid		(287)	—
Hong Kong profits tax paid		(4,136)	(5,044)
PRC corporate income tax paid		(1,672)	(1,518)
Dividends paid		(48,845)	(41,838)
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Net cash inflow from operating activities		257,629	200,490

CONSOLIDATED CASH FLOW STATEMENT (Cont'd)

Year ended 31 December 2005

	<i>Notes</i>	2005 HK\$'000	2004 <i>HK\$'000</i> <i>(Restated)</i>
Net cash inflow from operating activities		257,629	200,490
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of items of property, plant and equipment	<i>38(a)</i>	(598,784)	(232,085)
Additions to prepaid land lease payments	<i>38(a)</i>	(30,307)	(18,002)
Purchases of reusable packaging materials		(51,365)	(16,050)
Increase in pledged and restricted bank balances	26	(1,155)	(6,825)
Proceeds from disposal of items of property, plant and equipment		4,169	—
Proceeds from disposal of an available-for-sale equity investment		374	—
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Net cash outflow from investing activities		(677,068)	(272,962)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares	35	—	253,072
Share issue expenses	35	—	(3,714)
New bank loans		296,400	—
Repayment of an amount due to a minority equityholder of a subsidiary	<i>38(b)</i>	(5,057)	(26,913)
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Net cash inflow from financing activities		291,343	222,445
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
		(128,096)	149,973
Cash and cash equivalents at beginning of year		497,812	347,668
Effect of foreign exchange rate changes, net		3,896	171
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CASH AND CASH EQUIVALENTS AT END OF YEAR		373,612	497,812
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	26	326,427	120,253
Non-pledged time deposits with original maturity of less than three months when acquired	26	47,185	377,559
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		373,612	497,812
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