

Consolidated Cash Flow Statement

For the year ended 31 st December, 2005

	2005 HK\$'000	2004 HK\$'000
OPERATING ACTIVITIES		
Profit before tax	14,465	27,180
Adjustments for:		
Impairment loss on trade receivables	321	1,654
Amortisation of goodwill	–	107
Impairment loss on goodwill	1,760	–
Release of prepaid lease payments	77	90
Depreciation of property, plant and equipment	20,337	18,635
Dividend income from trading securities	–	(469)
Dividend income from investments held-for-trading	(363)	–
Finance costs	2,115	1,314
Gain on disposals of investments held-for-trading	(2,808)	–
Gain on disposals of trading securities	–	(58)
Reversal of impairment loss on investment in bonds	(500)	–
Impairment loss recognised in respect of other securities	–	500
Written down of inventories	1,996	1,153
Interest income	(878)	(1,876)
(Gain) loss on disposals of property, plant and equipment and prepaid lease payments	(207)	210
Share-based payment expenses	1,497	–
Surplus on revaluation of investment properties	–	(300)
Increase in fair value of investment properties	(4,040)	–
Decrease in fair value of investments held-for-trading	880	–
Unrealised holding loss on trading securities	–	749
Decrease in fair value of derivatives	663	–
Operating cash flows before movements in working capital	35,315	48,889
Decrease (increase) in inventories	3,939	(26,693)
Decrease (increase) in trade and other receivables	8,246	(14,946)
(Increase) decrease in trade and other payables	(3,119)	448
Cash generated from operations	44,381	7,698
Hong Kong Profits Tax paid	(4,515)	(1,000)
NET CASH FROM OPERATING ACTIVITIES	39,866	6,698
INVESTING ACTIVITIES		
Purchase of investments held-for-trading	(114,906)	–
Purchase of trading securities	–	(137,529)
Acquisition of additional interest in subsidiaries (note 33)	(17,083)	–
Purchase of property, plant and equipment	(15,369)	(21,719)
Proceeds on disposals of investments held-for-trading	118,519	–
Proceeds on disposals of trading securities	–	130,692
Decrease (increase) in pledged bank deposits	12,540	(13,764)
Proceeds on disposal of property, plant and equipment and prepaid lease payments	2,259	133
Proceeds on redemption of other securities	–	792
Proceeds on redemption of in bonds	2,110	–
Dividend received from investments held-for-trading	363	–
Interest income received	878	1,876
Dividend received from trading securities	–	469
NET CASH USED IN INVESTING ACTIVITIES	(10,689)	(39,050)

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For the year ended 31st December, 2005

	2005 <i>HK\$'000</i>	2004 <i>HK\$'000</i>
FINANCING ACTIVITIES		
Interest paid	(2,115)	(1,314)
Repayment of bank borrowings	(16,695)	(26,193)
Dividends paid	(15,345)	(13,788)
Payment for repurchase of shares	(437)	–
Dividend paid to minority shareholders	(417)	–
Repayment of obligations under a finance lease	(195)	(186)
New bank borrowing raised	18,000	6,510
Proceeds from issue of new shares	2,979	16,193
NET CASH USED IN FINANCING ACTIVITIES	(14,225)	(18,778)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
	14,952	(51,130)
CASH AND CASH EQUIVALENTS AT 1ST JANUARY	17,327	68,452
Effect of foreign exchange rate change	–	5
CASH AND CASH EQUIVALENTS AT 31ST DECEMBER	32,279	17,327
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	32,279	17,888
Bank overdrafts	–	(561)
	32,279	17,327