

Consolidated Cash Flow Statement

Year ended 31st December 2005

	2005 HK\$'000	2004 HK\$'000 (restated)
Operating activities		
Profit before taxation	43,424	89,398
Adjustments for:		
Finance costs	2,609	567
Interest income	(882)	(899)
Depreciation of property, plant and equipment	18,490	14,280
Amortisation of land lease payments	284	180
Loss on disposal of property, plant and equipment	1,583	–
Surplus on revaluation of leasehold land and buildings	2,667	(62)
Share-based payments expense	1,964	–
Operating profit before working capital changes	70,139	103,464
Increase in inventories	(97,358)	(10,804)
Increase in trade receivables	(8,180)	(16,184)
Decrease/(increase) in prepayments, deposits and other receivables	20,545	(18,341)
Decrease in trade payables	(1,141)	(13,878)
Increase in other payables and accruals	2,218	9,907
Cash (used in)/generated from operations	(13,777)	54,164
Interest received	882	899
Taxes paid	(1,215)	(1,814)
Taxes refund	–	579
Net cash (used in)/from operating activities	(14,110)	53,828
Investing activities		
Acquisition of property, plant and equipment	(52,378)	(62,163)
Prepaid lease rental	(4,605)	(11,705)
Net cash used in investing activities	(56,983)	(73,868)
Financing activities		
New bank loans raised	67,002	118,692
Repayment of bank loans	(16,667)	(68,692)
Repayment of obligation under finance lease	(175)	(262)
Dividends paid	(17,280)	(17,280)
Interest paid	(2,609)	(567)
Net cash from financing activities	30,271	31,891
Net (decrease)/increase in cash and cash equivalents	(40,822)	11,851
Cash and cash equivalents at beginning of year	105,795	93,944
Effect of foreign exchange rate changes, net	2,171	–
Cash and cash equivalents at end of year	67,144	105,795
Analysis of balance of cash and cash equivalents		
Bank balances and cash	67,144	105,795