

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER, 2005

	<u>2005</u> HK\$' 000	<u>2004</u> HK\$' 000
OPERATING ACTIVITIES		
Profit before taxation	81,289	61,971
Adjustments for:		
Depreciation and amortisation	2,735	2,165
Loss on disposal of investments held for trading/ gain on Disposal of other investments	127	(443)
(Gain arising from changes in fair value of investments held for trading)/ unrealized loss on other investments	(5,718)	600
Loss arising from changes in fair value of structured bank deposits	2,366	-
Impairment loss on trade debtors	1,663	5,667
Reversal of impairment loss on trade debtors	(35)	(290)
Gain on disposal of investment properties	(1,336)	-
Gain arising from changes in fair value of investment properties	(9,955)	(9,540)
Finance costs	9,856	4,052
Share of (profit) loss of associates	(3,257)	4,356
Loss (gain) on disposal of property, plant and equipment	147	(374)
Interest income from bank deposits	(2,282)	(2,631)
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Operating cash flows before movements in working capital	75,600	65,533
Decrease (Increase) in inventories	1,893	(57,502)
Increase in debtors, deposits and prepayments	(15,197)	(31,362)
Decrease in bills receivable	16,559	4,935
Increase in investments held for trading	(14,723)	(9,896)
Increase (decrease) in creditors and accrued charges	6,680	(17,151)
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Cash generated from (used in) operations	70,812	(45,443)
Hong Kong Profits Tax paid	(9,534)	(4,970)
Profits tax outside Hong Kong paid	(1,494)	(1,888)
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NET CASH FROM (USED IN) OPERATING ACTIVITIES	<hr/> 59,784 <hr/>	<hr/> (52,301) <hr/>

INVESTING ACTIVITIES		
Decrease in structured bank deposits	-	7,720
Purchase of property, plant and equipment	(2,179)	(3,407)
Decrease in equity-linked deposits	768	342
Purchase of investment securities	-	(7,946)
Interest received from bank deposits	2,282	2,631
Proceeds from disposal of investment securities	-	7,800
Proceeds from disposal of investment properties	5,056	-
Proceeds from disposal of property, plant and equipment	24	396
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NET CASH FROM INVESTING ACTIVITIES	5,951	7,536
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	<u>2005</u> HK\$' 000	<u>2004</u> HK\$' 000
FINANCING ACTIVITIES		
New bank borrowings raised	-	62,271
Repayment of bank borrowings	(29,202)	-
Dividends paid	(89,100)	(55,688)
Interest paid	(9,856)	(4,052)
Dividends paid to minority shareholders of subsidiaries	(274)	(174)
Amounts repaid to minority shareholders of subsidiaries	(1,094)	(938)
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NET CASH (USED IN) FROM FINANCING ACTIVITIES	(129,526)	1,419
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NET DECREASE IN CASH AND CASH EQUIVALENTS	(63,791)	(43,346)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	163,827	207,012
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	108	161
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CASH AND CASH EQUIVALENTS AT END OF THE YEAR	100,144	163,827
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ANALYSIS OF THE BALANCE OF CASH AND CASH EQUIVALENTS		
Short term bank deposits	21,295	96,157
Bank balances and cash	78,849	67,670
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	<u>100,144</u>	<u>163,827</u>