

Consolidated Cash Flow Statement

For the year ended 31 December 2006

	2006 HK\$'000	2005 HK\$'000
Operating activities		
Profit before taxation	76,803	53,307
Adjustments for:		
Interest income	(682)	(49)
Interest expenses	77	11
Depreciation of property, plant and equipment	16,236	14,739
Amortisation of other intangible assets	574	665
Impairment on goodwill	–	12
Amortisation of prepaid lease payments	36	66
Amortisation of deferred income	(481)	(299)
Impairment on amount due from a jointly controlled entity	–	3,132
Revaluation surplus on leasehold land and buildings	(696)	(522)
Gain on fair value changes of investment properties	(2,780)	(518)
Gain on disposal of subsidiaries	(191)	–
Loss on disposal of property, plant and equipment	2,390	–
Share-based payment expenses	7,748	2,852
Operating profit before working capital changes	99,034	73,396
Increase in inventories	(73,810)	(26,863)
Increase in trade and bills receivables	(19,992)	(36,811)
Decrease/(increase) in prepayments, deposits and other receivables	7,728	(1,325)
Increase in trade and bills payables	25,227	131
Increase in other payables and accruals	1,747	1,228
Increase in employee benefits	150	443
Cash generated from operations	40,084	10,199
Interest paid on bank borrowings	(18)	–
Interest paid on finance leases	(59)	(11)
Income taxes paid	(23,581)	142
Net cash from operating activities	16,426	10,330

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For the year ended 31 December 2006

	2006 HK\$'000	2005 HK\$'000
Investing activities		
Purchase of property, plant and equipment	(23,529)	(6,798)
Net cash inflow from disposal of subsidiaries (Note 33)	21,124	–
Interest received	682	49
Additions to intangible assets	(206)	(375)
Proceeds from disposal of property, plant and equipment	–	565
Decrease in pledged deposits	–	500
Net cash used in investing activities	(1,929)	(6,059)
Financing activities		
Proceeds from issue of shares on private placements, net of share issue expenses	50,969	–
Dividends paid	(17,089)	(11,700)
Repayment to directors	(8,045)	(3,900)
Repayment of obligations under finance leases	(298)	(157)
Proceeds from issue of shares on exercise of share options	–	20,767
Net cash from financing activities	25,537	5,010
Net increase in cash and cash equivalents	40,034	9,281
Effect of foreign exchange rate change	(1,497)	(69)
Cash and cash equivalents at beginning of year	48,051	38,839
Cash and cash equivalents at end of year, representing bank balances and cash	86,588	48,051