

Consolidated Cash Flow Statement

Year ended 31 December 2006

	Notes	2006 HK\$'000	2005 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		23,411	80,446
Adjustments for:			
Finance costs	7	508	453
Share of profits of an associate		(55)	(207)
Interest income	5, 6	(440)	(1,187)
Loss on disposal of items of property, plant and equipment	6	1,265	27
Depreciation	6	26,458	18,104
Recognition of prepaid land lease payments	15	610	12
Amortisation of other intangible assets	16	809	758
Foreign exchange losses, net	6	14	239
Gain on disposal of equity investments at fair value through profit or loss	5, 6	(2,050)	(1,243)
Equity-settled share option expense	28	6,520	4,340
		57,050	101,742
Increase in inventories		(17,672)	(13,105)
Decrease/(increase) in trade receivables		3,460	(3,789)
Decrease/(increase) in prepayments, deposits and other receivables		6,055	(21,599)
Increase/(decrease) in trade payables		23,686	(11,984)
Increase in other payables and accruals		3,864	3,241
		76,443	54,506
Income taxes paid		(620)	(191)
		75,823	54,315

Consolidated Cash Flow Statement

Year ended 31 December 2006

	Notes	2006 HK\$'000	2005 HK\$'000
Net cash inflow from operating activities		75,823	54,315
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		440	1,187
Purchases of items of property, plant and equipment	14	(113,732)	(29,015)
Additions to prepaid land lease payments	15	–	(13,219)
Proceeds from disposal of items of property, plant and equipment		–	34
Addition to other intangible assets	16	(5)	–
Acquisition of business		–	(3,047)
Acquisition of an associate		–	(1,313)
Acquisition of available-for-sale investments	20	(5,800)	–
Net proceeds from disposal of equity investments at fair value through profit or loss		2,050	1,243
Net cash outflow from investing activities		(117,047)	(44,130)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares	27	–	100,000
Share issue expenses	27	–	(2,552)
Repurchase of shares	27	–	(24,219)
Exercise of share options	27	–	11,220
Repayment of a bank loan		(599)	(662)
Interest paid		(508)	(453)
Dividends paid		(14,306)	(59,725)
Net cash (outflow)/inflow from financing activities		(15,413)	23,609
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(56,637)	33,794
Cash and cash equivalents at beginning of year		119,313	85,758
Effect of foreign exchange rate changes, net		(14)	(239)
CASH AND CASH EQUIVALENTS AT END OF YEAR		62,662	119,313
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	23	62,662	119,313