

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 30 June 2004

	2004 HK\$'000	2003 HK\$'000
Operating activities		
Profit before taxation	194,397	158,364
Adjustments for:		
Provision for long service payments	1,465	407
Interest income	(353)	(655)
Interest expenses	1,489	7,051
Depreciation and amortisation of property, plant and equipment	23,163	20,126
Loss on disposal of property, plant and equipment	143	440
Gain on winding up of subsidiaries	(4,119)	–
Gain on disposal of investment in securities	–	(3,108)
Allowance on advance to a jointly controlled entity	–	955
Effect of foreign exchange rate changes	(1,458)	2,251
Operating cash flows before movement in working capital	214,727	185,831
(Increase) decrease in inventories	(39,985)	11,887
(Increase) decrease in debtors, deposits and prepayments	(38,667)	8,319
Decrease (increase) in bills receivable	1,140	(2,716)
Increase (decrease) in creditors and accrued charges	18,289	(17,189)
Cash generated from operations	155,504	186,132
Interest income	353	655
Interest paid	(1,260)	(6,799)
Finance lease charges paid	(229)	(265)
Hong Kong Profits Tax paid	(5,416)	(7,698)
Taxation paid in other jurisdictions	(4,605)	(2,407)
Net cash from operating activities	144,347	169,618
Investing activities		
Proceeds on disposal of property, plant and equipment	118	668
Purchase of property, plant and equipment	(37,863)	(51,361)
Advance to a jointly controlled entity	(54)	(1,084)
Proceeds on disposal of investment in securities	–	4,444
Net cash used in investing activities	(37,799)	(47,333)

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For the year ended 30 June 2004

	2004 HK\$'000	2003 HK\$'000
Financing activities		
Dividend paid	(85,708)	–
Dividend paid to minority shareholders of a subsidiary	(900)	(1,800)
Repayments of obligations under finance leases	(2,527)	(2,975)
Net cash outflow in respect of trust receipts and import loans	(2,095)	(34,160)
Repayments of other liabilities	(82)	(82)
Repayments of convertible loan notes	–	(15,893)
Repayments of bank loans	–	(16,507)
Advance from a minority shareholder of a subsidiary	–	314
Repayments from a minority shareholder of a subsidiary	–	700
Repayments to a minority shareholder of a subsidiary	–	(415)
	<u>(91,312)</u>	<u>(70,818)</u>
Net cash used in financing activities	(91,312)	(70,818)
Net increase in cash and cash equivalents	15,236	51,467
Cash and cash equivalents at the beginning of the year	97,033	45,566
	<u>97,033</u>	<u>45,566</u>
Cash and cash equivalents at the end of the year	112,269	97,033
	<u>112,269</u>	<u>97,033</u>
Analysis of balances of cash and cash equivalents		
Bank balances and cash	113,767	100,735
Bank overdrafts	(1,498)	(3,702)
	<u>112,269</u>	<u>97,033</u>
	<u>112,269</u>	<u>97,033</u>