



Consolidated Cash Flow Statement

Year ended 31 December 2004

	Notes	2004 HK\$'000	2003 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		51,823	43,548
Adjustments for:			
Finance costs	7	71	61
Interest income	5	(503)	(773)
Gain on disposal of short term listed investments	5	(1,091)	(1,878)
Depreciation	6	19,924	17,015
Amortisation of goodwill	6	4,122	2,968
Impairment of goodwill	6	6,065	–
Provision for doubtful debts	6	2,500	–
Loss on disposal of fixed assets	6	–	1,180
Loss on write-off of fixed assets	6	5,911	–
(Surplus)/deficit on revaluation of leasehold land and buildings	6	(346)	35
Operating profit before working capital changes		88,476	62,156
Increase in inventories		(10,484)	(14,375)
Decrease in trade receivables		5,235	24,775
(Increase)/decrease in prepayments, deposits and other receivables		(7,242)	6,633
Increase in trade payables		7,549	17,077
Decrease in accruals and other liabilities		(1,690)	(5,676)
(Decrease)/increase in an amount due to a related company		(117)	542
Cash generated from operations		81,727	91,132
Interest received		503	773
Interest paid		(71)	(61)
Dividends paid		(24,526)	(29,430)
Mainland China corporate income tax paid		(514)	(943)
Net cash inflow from operating activities		57,119	61,471
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of fixed assets	14	(55,945)	(74,447)
Acquisition of subsidiaries	26	–	(7,320)
Proceeds from disposal of short term investments		3,637	2,234
Purchases of short term investments		(2,707)	–
Decrease in time deposits		–	9,623
Increase in pledged time deposits		–	(663)
Net cash outflow from investing activities		(55,015)	(70,573)

Consolidated Cash Flow Statement (continued)

Year ended 31 December 2004

	<i>Note</i>	2004 HK\$'000	2003 HK\$'000
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		2,104	(9,102)
Cash and cash equivalents at beginning of year		81,771	90,765
Effect of foreign exchange rate changes, net		(246)	108
CASH AND CASH EQUIVALENTS AT END OF YEAR		83,629	81,771
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	20	73,971	80,604
Non-pledged time deposits with original maturity of less than three months when acquired	20	9,658	1,167
		83,629	81,771