

Consolidated Cash Flow Statement

For the year ended 31st December, 2004

	Note	2004 HK\$'000	2003 <i>HK\$'000</i>
OPERATING ACTIVITIES			
Profit from operations		44,789	49,654
Adjustments for:			
Depreciation and amortisation of property, plant and equipment		6,255	4,732
(Gain) loss on disposal of property, plant and equipment		(355)	9
Allowance for bad and doubtful debts		383	3,410
Gain on disposal of other investments		(1,451)	(2,480)
Dividend income from other investments, listed		(448)	(400)
Unrealised holding gain on other investments		(183)	(457)
Interest income		(836)	(881)
Operating cash flows before movements in working capital		48,154	53,587
(Increase) decrease in inventories		(17,842)	313
Increase in trade and other receivables		(37,689)	(16,479)
Increase in trade and other payables		36,511	4,961
Increase (decrease) in amount due to a related company		2	(29)
Decrease in amount due to an associate		-	(9,121)
Cash generated from operations		29,136	33,232
Interest paid		(4)	(4)
Hong Kong Profits Tax paid		(4,965)	(1,880)
The PRC income tax paid		(447)	(1,442)
NET CASH FROM OPERATING ACTIVITIES		23,720	29,906
INVESTING ACTIVITIES			
Purchase of other investments		(45,104)	(59,120)
Purchase of property, plant and equipment		(23,713)	(11,824)
Proceeds from disposal of other investments		50,017	62,396
Dividend received from an associate		3,600	900
Interest received		836	881
Proceeds from disposal of property, plant and equipment		695	94
Dividends received from other investments, listed		448	400
Repayment from an associate		200	200
Dissolution of a subsidiary (net of cash and cash equivalents disposed of)	21	-	(90)
NET CASH USED IN INVESTING ACTIVITIES		(13,021)	(6,163)

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For the year ended 31st December, 2004

	2004 HK\$'000	2003 <i>HK\$'000</i>
NET CASH USED IN FINANCING ACTIVITIES		
Dividends paid	(23,750)	(20,000)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(13,051)	3,743
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	71,666	67,992
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	39	(69)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank balances and cash	58,654	71,666