

Consolidated Cash Flow Statement

For the year ended 30 June 2005

	Note	2005 HK\$'000	2004 HK\$'000
OPERATING ACTIVITIES			
Profit from operations		195,761	254,935
Adjustments for:			
Allowance for bad and doubtful debts		13,085	13,017
Allowance for obsolete inventories		18,671	17,591
Deficit on revaluation of land and buildings		1,837	568
Depreciation and amortisation		100,719	77,700
Impairment loss on investments in securities		2,003	–
Loss on disposal of investments in securities		45	–
Gain on disposal of property, plant and equipment		(3,784)	(578)
Interest income		(4,044)	(1,770)
Operating cash flows before working capital changes		324,293	361,463
Decrease (increase) in inventories		168,209	(1,379,979)
Increase in properties held for sale		(4,899)	(7,008)
Increase in trade and bills receivables		(542,763)	(292,027)
(Increase) decrease in prepayments, deposits and other receivables		(72,190)	3,928
Increase in trade and bills payables		807,667	792,614
Increase in accruals and other payables		58,159	27,794
Cash generated from (used in) operations		738,476	(493,215)
Hong Kong Profits Tax paid		(761)	(1,046)
Overseas tax paid		(33,003)	(28,080)
NET CASH FROM (USED IN) OPERATING ACTIVITIES		704,712	(522,341)
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(126,612)	(259,106)
Investments in associates		(30,673)	(6,882)
Effect on deemed disposal of a subsidiary	29	(17,985)	–
Prepayments and deposits		(16,339)	(10,405)
Purchase of investments in securities		(1,972)	(286)
Proceeds from disposal of property, plant and equipment		15,030	4,217
Advance from an associate		5,659	–
Interest received		4,044	1,770
Proceeds from disposal of investments in securities		2,410	–
Proceeds from disposal of an associate		2,167	–
Decrease (increase) in pledged bank deposits		924	(20,976)
Deposit paid for investment in a subsidiary		–	(10,169)
NET CASH USED IN INVESTING ACTIVITIES		(163,347)	(301,837)

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For the year ended 30 June 2005

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FINANCING ACTIVITIES		
New bank and other borrowings raised	2,474,396	1,717,512
Increase in trust receipt loans	72,506	25,508
Proceeds on issue of shares on exercise of share options, net of share issue expenses	4,169	7,635
Repayments of bank and other borrowings	(2,090,066)	(525,266)
Interest paid on bank and other borrowings	(129,601)	(75,626)
Dividend paid	(21,905)	(30,765)
Repayments of obligations under finance leases	(7,955)	(1,052)
Dividend paid to minority shareholders	(4,255)	(949)
Interest paid on finance leases	(119)	(141)
Capital contributed from minority shareholders	–	18,144
NET CASH FROM FINANCING ACTIVITIES	297,170	1,135,000
NET INCREASE IN CASH AND CASH EQUIVALENTS	838,535	310,822
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	793,990	483,518
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	6,224	(350)
CASH AND CASH EQUIVALENTS CARRIED FORWARD, representing bank balances and cash	1,638,749	793,990