

Consolidated Cash Flow Statement

For the year ended 31 December 2005

	2005 US\$'000	2004 US\$'000
OPERATING ACTIVITIES		
Profit before taxation	97,113	76,737
Adjustments for:		
Impairment loss on trade receivables	604	606
Allowance (reversal of allowance) for inventories	83	(39)
Interest income	(1,277)	(781)
Interest expense	2,133	542
Depreciation of property, plant and equipment	11,102	8,972
Release of lease premium for land	225	233
Amortization of club debenture	7	–
Gain on disposal of property, plant and equipment	(200)	(539)
Loss on disposal of lease premium for land	451	164
Gain on disposal of investments held for trading	(72)	(40)
Listing expenses charged to income statement	1,400	–
Operating cash flows before working capital changes	111,569	85,855
Decrease (increase) in inventories	532	(26,264)
Increase in trade and other receivables	(43,203)	(24,876)
Increase in trade and other payables	22,358	1,453
Increase in deferred compensation	81	117
Cash generated from operations	91,337	36,285
PRC Foreign Enterprise Income Tax paid	(541)	(208)
Overseas tax paid	(6,184)	(6,072)
NET CASH FROM OPERATING ACTIVITIES	84,612	30,005
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(19,115)	(29,527)
Acquisition of investments held for trading	(10,473)	–
Payments for lease premium for land	(1,938)	(1,147)
Increase in cash surrender value of life insurance	(81)	(118)
Proceeds from disposal of investments held for trading	13,085	–
Decrease (increase) in loans receivable	1,600	(1,000)
Interest received	1,277	781
Proceeds from disposal of property, plant and equipment	1,032	11,572
Proceeds from disposal of lease premium for land	724	700
Decrease in restricted bank balances	15	3,438
Decrease in time deposits with original maturity over three months	–	1,000
Purchase of club debenture	–	(40)
Repayment from a related company	–	148
NET CASH USED IN INVESTING ACTIVITIES	(13,874)	(14,193)

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For the year ended 31 December 2005

	2005	2004
	US\$'000	US\$'000
FINANCING ACTIVITIES		
Repayment of bank borrowings	(185,526)	(22,960)
Dividend paid	(98,875)	(82,125)
(Repayment to) advance from directors	(12,696)	44,863
Interest paid	(2,133)	(542)
(Repayment to) advance from related companies	(1,085)	610
Net proceeds from issue of shares	157,170	–
New bank borrowings raised	141,392	44,133
NET CASH USED IN FINANCING ACTIVITIES	(1,753)	(16,021)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	68,985	(209)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	41,532	41,741
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	72	–
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by	110,589	41,532
Bank balances and cash	48,695	41,532
Deposits placed in a financial institution	61,894	–
	110,589	41,532