



# Consolidated Cash Flow Statement

For the year ended 31st December, 2005

	<b>2005</b> <b>HK\$'000</b>	2004 HK\$'000 (restated)
<b>OPERATING ACTIVITIES</b>		
Profit before taxation	<b>53,753</b>	68,823
Adjustments for:		
(Reversal of) impairment losses recognised in respect of trade receivables	<b>(831)</b>	6,112
Depreciation and amortisation	<b>35,441</b>	34,750
Finance costs	<b>7,196</b>	8,058
Gain on disposal of a subsidiary	<b>(5,828)</b>	–
Interest income	<b>(1,894)</b>	(927)
Loss (gain) on disposal of property, plant and equipment	<b>62</b>	(677)
Decrease in retirement benefit obligations	<b>–</b>	(1,013)
Release of prepaid lease payments	<b>229</b>	229
Operating cash flows before movements in working capital	<b>88,128</b>	115,355
Increase in inventories	<b>(4,902)</b>	(9,246)
Decrease (increase) in trade receivables	<b>1,973</b>	(21,927)
Decrease (increase) in deposits, prepayments and other receivables	<b>1,206</b>	(3,191)
Decrease in trade payables	<b>(7,973)</b>	(11)
Increase (decrease) in accrued charges and other payables	<b>18,224</b>	(2,441)
Net cash generated from operations	<b>96,656</b>	78,539
Income tax paid	<b>(13,818)</b>	(14,040)
Income tax refunded	<b>100</b>	1,242
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>82,938</b>	65,741

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For the year ended 31st December, 2005

	NOTE	2005 HK\$'000	2004 HK\$'000 (restated)
<b>INVESTING ACTIVITIES</b>			
Disposal of a subsidiary	29	<b>73,025</b>	–
Interest received		<b>1,894</b>	927
Proceeds from disposal of property, plant and equipment		<b>50</b>	2,311
Purchase of property, plant and equipment		<b>(38,409)</b>	(40,258)
Deposits paid for acquisition of property, plant and equipment		<b>(1,578)</b>	–
Deposit received in respect of disposal of a subsidiary		–	936
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<b>NET CASH FROM (USED IN) INVESTING ACTIVITIES</b>		<b>34,982</b>	(36,084)
<b>FINANCING ACTIVITIES</b>			
Redemption of preference shares		<b>(48,500)</b>	(100,000)
Repayment of bank loans		<b>(39,846)</b>	(28,912)
Dividends paid		<b>(24,043)</b>	(22,441)
Repayment of import loans		<b>(13,306)</b>	(21,083)
Interest paid		<b>(5,315)</b>	(2,950)
Preference shares dividends paid		<b>(709)</b>	(2,281)
New bank loans raised		<b>36,560</b>	60,000
New import loans raised		<b>19,413</b>	16,575
Repayment of obligations under finance leases		–	(1,537)
Finance charge on obligations under finance leases		–	(16)
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<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<b>(75,746)</b>	(102,645)
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<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>42,174</b>	(72,988)
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<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>		<b>96,040</b>	169,028
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<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank balances and cash</b>		<b>138,214</b>	96,040