

Consolidated Cash Flow Statement

For the year ended 31 December 2005

	2005 HK\$'000	2004 HK\$'000 (Restated)
OPERATING ACTIVITIES		
Profit before taxation	103,609	42,363
Adjustments for:		
Share of results of associates	(6,118)	(6,267)
Gain on partial disposal of an associate	-	(10,304)
Loss (gain) on deemed disposal of an associate	125	(6,045)
Finance costs	3,657	3,275
Allowance for doubtful debts (written back) provided	(13,740)	26,618
Dividend income from available-for-sale investments/investments in securities	(2)	(2)
Interest income	(3,963)	(2,396)
Impairment loss recognised in respect of deferred consideration on partial disposal of a subsidiary	15,408	-
Impairment loss recognised in respect of interests in associates	795	-
Impairment losses recognised in respect of available-for-sale investments/investments in securities	2,656	1,535
(Gain) loss on disposal of available-for-sale investments/investments in securities	(7,161)	174
(Increase) decrease in fair value of investment properties	(17,123)	7,595
Increase in fair value of derivative financial instruments	(365)	-
Depreciation of property, plant and equipment	2,410	2,372
Amortisation of prepaid lease payments	23	23
Loss on disposal of property, plant and equipment	11	16
Operating cash flows before movements in working capital	80,222	58,957
(Increase) decrease in inventories	(39,344)	5,949
Decrease (increase) in trade and other receivables, deposits and prepayments	8,007	(96,538)
(Increase) decrease in amount due from an associate	(84)	415
Decrease in amounts due from related companies	-	3,911
Increase in investments held-for-trading	(50,175)	-
(Decrease) increase in trade and other payables	(6,536)	52,348
Increase in bills payable	212	13,221
(Decrease) increase in amounts due to related companies	(15,022)	7,309
CASH (USED IN) GENERATED FROM OPERATIONS	(22,720)	45,572
Hong Kong Profits Tax refunded	-	1,278
Hong Kong Profits Tax paid	(9,674)	(8,001)
Overseas Tax paid	(193)	(156)
Interest paid	(3,657)	(3,275)
NET CASH (USED IN) GENERATED FROM OPERATING ACTIVITIES	(36,244)	35,418

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INVESTING ACTIVITIES		
Dividend received from available-for-sale investments/ investments in securities	2	2
Dividend received from associates	873	–
Interest received	3,963	2,396
(Increase) decrease in pledged bank deposits	(505)	3,866
Investments in associates	(828)	(871)
Proceeds from disposal of property, plant and equipment	449	654
Proceeds from disposal of available-for-sale investments/ investments in securities	19,535	2,002
Proceeds from partial disposal of interest in an associate	–	14,246
Purchase of available-for-sale investments/investments in securities	(17,980)	(1,987)
Purchase of investment properties	–	(66,252)
Purchase of property, plant and equipment	(1,653)	(3,603)
Repayments of staff advances	372	1,013
NET CASH FROM (USED IN) INVESTING ACTIVITIES	4,228	(48,534)
FINANCING ACTIVITIES		
Dividends paid	(5,371)	(5,371)
New bank loans raised	197,016	430,355
New loans raised from related companies	–	17,024
Repayment of advance from minority shareholders	(118)	(86)
Repayment of bank loans	(211,958)	(392,993)
Repayment of loans from related companies	(15,400)	(1,615)
Repayment of other loans	(432)	–
NET CASH (USED IN) FROM FINANCING ACTIVITIES	(36,263)	47,314
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(68,279)	34,198
CASH AND CASH EQUIVALENTS AT 1 JANUARY	163,931	128,047
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	(773)	1,686
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	94,879	163,931
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	94,943	165,349
Bank overdrafts	(64)	(1,418)
	94,879	163,931