

CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 December 2004

	Notes	2004 HK\$'000	2003 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		81,392	41,203
Adjustments for:			
Interest income	5	(320)	(238)
Depreciation	6	140,024	129,012
Loss on disposal of fixed assets	6	683	132
Provision/(write-back of provision) for obsolete inventories	6	3,600	(101)
Finance costs	7	11,670	10,330
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Operating profit before working capital changes		237,049	180,338
Decrease in rental and utility deposits		183	246
Decrease in prepaid rental, long term portion		175	175
Increase in inventories		(74,205)	(21,271)
Increase in trade receivables		(74,759)	(66,053)
Decrease/(increase) in prepayments, deposits and other receivables		24,209	(12,168)
Decrease in an amount due from an associate		30	42
Increase in trade payables		57,542	49,687
Increase in other payables and accruals		10,521	8,215
Foreign exchange differences		39	(141)
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Cash generated from operations		180,784	139,070
Interest received		320	238
Interest paid		(10,790)	(10,189)
Interest element on finance lease rental payments		(3,508)	(4,017)
Hong Kong profits tax refunded/(paid)		9,575	(10,000)
PRC taxes paid		(1,693)	(2,958)
Refund of 5% PRC corporate income tax	10	6,474	—
Dividend paid		(6,528)	(9,600)
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Net cash inflow from operating activities — page 29		174,634	102,544

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Net cash inflow from operating activities — page 28		174,634	102,544
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of fixed assets	14	(144,723)	(157,668)
Deposits paid for fixed assets		(20,111)	(1,962)
Proceeds from disposal of fixed assets		2,375	295
Purchase of other assets		(418)	—
		<hr/> (162,877) <hr/>	<hr/> (159,335) <hr/>
CASH FLOWS FROM FINANCING ACTIVITIES			
New bank loans		178,000	137,800
Repayment of bank loans		(115,420)	(52,652)
Shareholder's loan		—	30,043
Increase in trust receipt loans		5,047	17,565
Capital element of finance lease rental payments		(62,052)	(76,538)
		<hr/> 5,575 <hr/>	<hr/> 56,218 <hr/>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		17,332	(573)
Cash and cash equivalents at beginning of year		<hr/> 73,815 <hr/>	<hr/> 74,388 <hr/>
CASH AND CASH EQUIVALENTS AT END OF YEAR		<hr/> 91,147 <hr/>	<hr/> 73,815 <hr/>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	19	68,375	58,195
Non-pledged time deposits with original maturity of less than three months when acquired	19	22,772	15,620
		<hr/> 91,147 <hr/>	<hr/> 73,815 <hr/>