

**CONSOLIDATED CASH FLOW STATEMENT** Year ended 31 December 2005

	<i>Notes</i>	<b>2005 HK\$'000</b>	2004 HK\$'000 (Restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		<b>94,787</b>	81,392
Adjustments for:			
Bank interest income	5	<b>(1,066)</b>	(320)
Depreciation	6	<b>155,840</b>	139,995
Loss on disposal of items of property, plant and equipment	6	<b>1,676</b>	683
Provision for obsolete inventories	6	<b>6,058</b>	3,600
Finance costs	7	<b>25,765</b>	11,670
Recognition of prepaid land lease payments	15	<b>355</b>	29
Equity-settled share option expenses	28	<b>311</b>	—
Operating profit before working capital changes		<b>283,726</b>	237,049
Decrease in rental and utility deposits		<b>20</b>	183
Decrease in prepaid rental, long term portion		<b>150</b>	175
Increase in inventories		<b>(72,839)</b>	(74,205)
Increase in trade receivables		<b>(41,602)</b>	(74,759)
Decrease/(increase) in prepayments, deposits and other receivables		<b>(32,189)</b>	24,209
Decrease/(increase) in an amount due from an associate		<b>(263)</b>	30
Increase in trade payables		<b>76,945</b>	57,542
Increase in other payables and accruals		<b>21,329</b>	10,521
Cash generated from operations		<b>235,277</b>	180,745
Interest received		<b>1,066</b>	320
Hong Kong profits tax refunded		<b>—</b>	9,575
PRC taxes paid		<b>(3,195)</b>	(1,693)
Refund of 5% PRC corporate income tax	10	<b>472</b>	6,474
Net cash inflow from operating activities		<b>233,620</b>	195,421
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchases of items of property, plant and equipment		<b>(286,473)</b>	(144,723)
Land lease payments	15	<b>(16,688)</b>	—
Deposits paid for items of property, plant and equipment		<b>(37,185)</b>	(20,111)
Proceeds from disposal of items of property, plant and equipment		<b>457</b>	2,375
Purchase of other assets		<b>(150)</b>	(418)
Net cash outflow from investing activities		<b>(340,039)</b>	(162,877)

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	Notes	2005 HK\$'000	2004 HK\$'000 (Restated)
Net cash outflow from investing activities		<b>(340,039)</b>	(162,877)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of shares	27	<b>63,576</b>	—
Share issue expenses	27	<b>(1,588)</b>	—
New bank loans		<b>235,000</b>	178,000
Repayment of bank loans		<b>(33,341)</b>	(115,420)
Increase in trust receipt loans		<b>25,179</b>	5,047
Interest paid	7	<b>(23,501)</b>	(10,790)
Interest element on finance lease rental payments	7	<b>(5,521)</b>	(3,508)
Capital element of finance lease rental payments		<b>(64,846)</b>	(62,052)
Dividend paid		<b>(19,900)</b>	(6,528)
Net cash inflow/(outflow) from financing activities		<b>175,058</b>	(15,251)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>68,639</b>	17,293
Cash and cash equivalents at beginning of year		<b>91,147</b>	73,815
Effect of foreign exchange rate changes, net		<b>(3,445)</b>	39
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>156,341</b>	91,147
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances	20	<b>148,541</b>	68,375
Non-pledged time deposits with original maturity of less than three months when acquired	20	<b>7,800</b>	22,772
		<b>156,341</b>	91,147