



# CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December, 2003

	<b>2003</b>	2002
	<b>HK\$'000</b>	HK\$'000
<b>OPERATING ACTIVITIES</b>		
Profit before taxation	<b>26,858</b>	35,085
Adjustments for:		
Interest expenses	<b>8,401</b>	8,369
Interest income	<b>(258)</b>	(109)
Depreciation and amortisation	<b>7,796</b>	5,638
Loss on disposal of property, plant and equipment	<b>2</b>	141
Allowance for bad and doubtful debt	<b>2,952</b>	1,359
Operating profit before working capital changes	<b>45,751</b>	50,483
Decrease (increase) in inventories	<b>5,743</b>	(6,468)
Increase in trade and other receivables	<b>(34,888)</b>	(31,570)
(Decrease) increase in trade and other payables	<b>(27,991)</b>	18,787
Cash (used in) from operations	<b>(11,385)</b>	31,232
Interest paid	<b>(8,401)</b>	(8,369)
Hong Kong Profits Tax paid	<b>(1,312)</b>	(100)
PRC Enterprise Income Tax paid	<b>(3,256)</b>	(3,149)
<b>NET CASH (USED IN) FROM OPERATING ACTIVITIES</b>	<b>(24,354)</b>	19,614
<b>INVESTING ACTIVITIES</b>		
Increase in pledged bank deposits	<b>(7,518)</b>	(9,860)
Increase in loan receivable	<b>(6,086)</b>	–
Increase in deposits for acquisition of property, plant and equipment	<b>(4,213)</b>	(8,910)
Dividend paid	<b>(3,000)</b>	(2,219)
Purchase of property, plant and equipment	<b>(2,333)</b>	(6,540)
Dividend paid to a minority shareholder of a subsidiary	<b>(1,198)</b>	(812)
Repayment from a director	<b>8,615</b>	3,210
Advance to a minority shareholder of a subsidiary	<b>2,397</b>	1,299
Repayment from (advance to) related companies	<b>877</b>	(800)
Interest received	<b>258</b>	109
Proceeds from disposal of property, plant and equipment	<b>–</b>	9
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(12,201)</b>	(24,514)

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For the year ended 31 December, 2003

	<b>2003</b>	2002
	<b>HK\$'000</b>	HK\$'000
FINANCING ACTIVITIES		
Repayment of borrowings	<b>(77,853)</b>	(68,039)
Repayment on obligations under finance leases	<b>(5,419)</b>	(3,155)
Borrowing raised	<b>92,078</b>	82,332
Proceeds from issue of shares	<b>37,445</b>	–
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>46,251</b>	11,138
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>9,696</b>	6,238
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	<b>9,480</b>	3,242
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<b>19,176</b>	9,480
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	<b>34,739</b>	22,433
Bank overdrafts	<b>(15,563)</b>	(12,953)
	<b>19,176</b>	9,480