

Consolidated Cash Flow Statement

Year ended 31 December 2002

	Notes	2002 HK\$'000	2001 HK\$'000 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		45,531	40,109
Adjustments for:			
Finance costs	8	35	216
Interest income	6	(1,011)	(1,204)
Decrease in fair value of short term investments	6	-	188
Loss on disposal of short term investments	6	-	34
Amortisation of goodwill	7	360	-
Depreciation	7	6,179	6,487
Loss/(gain) on disposal of fixed assets, net	7	898	(15)
Revaluation deficit of fixed assets	7	409	-
Gain on dissolution of subsidiaries	6	(601)	-
Loss on disposal of subsidiaries	7	4,266	-
Operating profit before working capital changes		56,066	45,815
Increase in inventories		(5,015)	(10,571)
Decrease/(increase) in trade receivables		28,780	(30,117)
Decrease/(increase) in prepayments, deposits and other receivables		544	(3,648)
Decrease/(increase) in amounts due from related companies		(16)	246
Decrease/(increase) in an amount due from a director		51	(2,735)
Increase/(decrease) in trade payables		(16,259)	14,469
Increase in other payables and accruals		2,212	2,199
Exchange adjustments		(7)	(86)
Cash generated from operations		66,356	15,572
Interest received		1,011	1,204
Interest paid		(35)	(210)
Interest element of finance lease payments		-	(6)
Hong Kong profits tax refunded		4,217	-
Hong Kong profits tax paid		(8,314)	(398)
Overseas taxes paid		(479)	(408)
Net cash inflow from operating activities		62,756	15,754

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Net cash inflow from operating activities		62,756	15,754
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of fixed assets		(12,088)	(1,311)
Proceeds from disposals of fixed assets		23	36
Proceeds from disposal of short term investments		-	251
Decrease in loan receivable		150	-
Acquisition of subsidiaries	29(b)	(2,514)	-
Disposal of subsidiaries	29(c)	(1,827)	-
Net cash outflow from investing activities		(16,256)	(1,024)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital		44,002	-
Share issue expenses		(7,965)	-
Repayment of bank loans		(2,960)	(777)
Capital element of finance lease payments		-	(109)
Dividends paid		(12,800)	(30,000)
Net cash inflow/(outflow) from financing activities		20,277	(30,886)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		66,777	(16,156)
Cash and cash equivalents at beginning of year		20,252	36,408
CASH AND CASH EQUIVALENTS AT END OF YEAR		87,029	20,252
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances		24,577	20,252
Time deposits with original maturity of less than three months when acquired		62,452	-
		87,029	20,252