

## Consolidated Cash Flow Statement

For the year ended 31 December, 2002

	2002 HK\$'000	2001 HK\$'000 (restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	27,373	27,022
Adjustments for:		
Interest income	(6,594)	(11,213)
Interest expenses	7,594	7,594
Depreciation and amortisation	6,177	4,481
Loss (gain) on disposals of property, plant and equipment	6	(52)
Deficit arising on revaluation of an investment property	817	–
Operating cash flows before movements in working capital	35,373	27,832
(Increase) decrease in inventories	(5,449)	1,373
(Increase) decrease in trade and other receivables	(5,904)	25,576
Decrease in trade and other payables	(3,178)	(3,325)
Cash generated from operations	20,842	51,456
Hong Kong Profits Tax paid	(1,261)	(3,238)
Interest paid	(7,594)	(7,594)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>11,987</b>	<b>40,624</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of investment property	(19,384)	–
Purchase of property, plant and equipment	(5,986)	(17,318)
Interest received	6,726	9,762
Proceeds on disposals of property, plant and equipment	15	190
Purchase of convertible note receivables	–	(53,000)
Purchase of tax reserve certificates	–	(29,786)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(18,629)</b>	<b>(90,152)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares on exercise of warrants	18,196	1,708
Dividends paid	(6,889)	(10,395)
<b>NET CASH FROM (USED IN) FINANCING ACTIVITIES</b>	<b>11,307</b>	<b>(8,687)</b>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>4,665</b>	<b>(58,215)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>239,610</b>	<b>297,825</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>244,275</b>	<b>239,610</b>
<b>ANALYSIS OF THE BALANCE OF CASH AND CASH EQUIVALENTS</b>		
Short-term bank deposits	243,007	237,076
Bank balances and cash	1,268	2,534
	<b>244,275</b>	<b>239,610</b>