

For the year ended 31st December, 2002

Consolidated Cash Flow Statement

	2002 HK\$'000	Restated 2001 HK\$'000
OPERATING ACTIVITIES		
Profit from operations	17,542	39,591
Adjustments for:		
Unrealised loss on other investments	19,371	21,936
Impairment loss recognised in respect of investment securities	1,300	—
Deficit (surplus) arising on revaluation of investment properties	1,000	(16,110)
Interest income from bank deposits	(2,322)	(5,223)
Depreciation and amortisation	2,495	2,893
Loss on disposal of property, plant and equipment	—	1,178
Goodwill written off on disposal of a subsidiary	—	35
Operating cash flow before movements in working capital	39,386	44,300
Increase in inventories	(11,384)	(6,214)
(Increase) decrease in debtors, deposits and prepayments	(34,616)	24,505
(Increase) decrease in bills receivable	(4,920)	7,946
Decrease (increase) in other investments	20,136	(23,855)
(Decrease) increase in creditors and accrued charges	(4,516)	1,445
Decrease in bills payable	—	(2,106)
Cash generated from operations	4,086	46,021
Interest paid	(4,363)	(5,883)
Hong Kong Profits Tax paid	(2,822)	(3,394)
Profits tax outside Hong Kong paid	(1,275)	(1,725)
NET CASH (USED IN) FROM OPERATING ACTIVITIES	(4,374)	35,019
INVESTING ACTIVITIES		
Purchase of investment securities	(2,812)	(13,709)
Purchase of property, plant and equipment	(1,145)	(413)
Interest received from bank deposits	2,322	5,223
Proceeds from disposal of property, plant and equipment	—	2,162
NET CASH USED IN INVESTING ACTIVITIES	(1,635)	(6,737)

Consolidated Cash Flow Statement

For the year ended 31st December, 2002

	2002	Restated 2001
	<i>HK\$'000</i>	<i>HK\$'000</i>
FINANCING ACTIVITIES		
New bank borrowings raised	41,579	—
Dividends paid	(11,138)	(17,820)
Dividends paid to minority shareholders of subsidiaries	(158)	(2,045)
Amount repaid to minority shareholders of a subsidiary	(700)	(734)
Repayment of bank borrowings	—	(8,138)
NET CASH FROM (USED IN) FINANCING ACTIVITIES	29,583	(28,737)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	23,574	(455)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	162,291	162,805
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	303	(59)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	186,168	162,291
ANALYSIS OF THE BALANCE OF CASH AND CASH EQUIVALENTS		
Cash and cash equivalents as previously reported		24,975
Effect of reclassification of bank borrowings		137,316
Cash and cash equivalents as restated		162,291
Being:		
Short term bank deposits	127,459	102,236
Bank balances and cash	58,854	60,055
Bank overdrafts	(145)	—
	186,168	162,291