

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2002 (Expressed in Hong Kong dollars)

	Note	2002 \$'000	2001 \$'000 (restated)
Operating activities			
Profit from ordinary activities before taxation		136,050	46,227
Adjustments for:			
– Depreciation		80,552	89,947
– Amortisation of goodwill		1,682	254
– Finance cost		3,134	2,901
– Dividend income		(546)	(206)
– Interest income		(19,741)	(20,291)
– Realised losses on disposal/liquidation of non-trading securities		8,255	693
– (Profit)/loss on disposals of fixed assets		(2,106)	48
– Share of loss/(profit) of associate		1,654	(5,735)
– Effect of foreign exchange rates		367	442
		<u>209,301</u>	<u>114,280</u>
Operating profit before changes in working capital		209,301	114,280
Decrease in amount due from associate		1,369	7,797
Increase in trading securities		(3,542)	(14,595)
Decrease in inventories		15,161	147,585
(Increase)/decrease in trade and other receivables		(31,791)	114,330
Decrease in bills payable		(2,106)	(4,095)
Increase/(decrease) in trade and other payables		21,179	(87,578)
		<u>209,571</u>	<u>277,724</u>
Cash generated from operations		209,571	277,724
Tax paid			
– Hong Kong profits tax paid		(18,981)	(66)
– Overseas tax paid		(3,107)	(9,760)
		<u>(22,088)</u>	<u>(9,826)</u>
Net cash from operating activities		187,483	267,898
Investing activities			
Proceeds from disposal of fixed assets		626	349
Payment for purchase of fixed assets		(99,145)	(98,867)
Proceeds from disposal of non-trading securities		174,213	103,446
Purchase of non-trading securities		(159,027)	(92,367)
Dividends received		546	206
Interest received		19,816	20,412
		<u>(62,971)</u>	<u>(66,821)</u>
Net cash used in investing activities		(62,971)	(66,821)

CONSOLIDATED CASH FLOW STATEMENT (Continued)

For the year ended 31 December 2002 (Expressed in Hong Kong dollars)

	Note	2002 \$'000	2001 \$'000 (restated)
Financing activities			
New bank loans		49,601	49,811
Repayment of bank loans		(46,434)	(17,882)
Proceeds on issue of shares		717	462
Repurchase of own shares		–	(365)
Interest paid		(3,134)	(2,901)
Dividends paid		(27,229)	(58,051)
Dividend paid to minority shareholders		(942)	(3,016)
		<u>(27,421)</u>	<u>(31,942)</u>
Net cash used in financing activities		(27,421)	(31,942)
Net increase in cash and cash equivalents		97,091	169,135
Cash and cash equivalents at 1 January		360,671	192,297
Effect of foreign exchange rates changes		3,113	(761)
Cash and cash equivalents at 31 December	20	<u>460,875</u>	<u>360,671</u>

Note to the Consolidated Cash Flow Statement

(a) **Major non cash transactions**

During the year shares were issued as a result of scrip dividends.

The notes on pages 26 to 54 form part of these financial statements.