



CONSOLIDATED CASH FLOW STATEMENT

For the Year Ended 31st December, 2002

	NOTE	2002 HK\$'000	2001 HK\$'000
OPERATING ACTIVITIES			
Profit (loss) for the year		18,045	(5,967)
Adjustments for:			
Interest income		(221)	(738)
Interest expenses		3,810	3,569
Deficit on revaluation of investment properties		17,900	7,000
Write back of impairment loss in respect of properties held for sale		—	(7,940)
Depreciation of property, plant and equipment		5,297	1,859
Amortisation of goodwill		3,862	—
Unrealised holding losses (gains) on other investments		93	(46)
Loss (gain) on disposal of property, plant and equipment		14	(15)
		<hr/>	<hr/>
Operating cash flows before movements in working capital		48,800	(2,278)
Increase in inventories		(5,423)	(10,699)
Decrease (increase) in trade and other receivables		4,892	(70)
Increase in trade and other payables		14,086	3,864
Decrease in bills payable		—	(1,758)
		<hr/>	<hr/>
NET CASH GENERATED FROM (USED IN)			
OPERATING ACTIVITIES		62,355	(10,941)
INVESTING ACTIVITIES			
Acquisition of subsidiaries	27	(130,919)	—
Acquired loans from former shareholders of subsidiaries		(128,653)	—
Purchase of property, plant and equipment		(23,904)	(10,671)
Decrease in pledged bank deposits		(133)	(737)
Interest received		221	738
Increase in other receivable		208	—
Proceeds from disposal of property, plant and equipment		10	120
		<hr/>	<hr/>
NET CASH USED IN INVESTING ACTIVITIES		(283,170)	(10,550)



CONSOLIDATED CASH FLOW STATEMENT

For the Year Ended 31st December, 2002

	2002 HK\$'000	2001 HK\$'000
FINANCING ACTIVITIES		
Issue of convertible notes	230,000	—
Issue of new shares, net of expenses	26,244	27,436
Repayment of secured bank loans	(16,786)	(6,500)
Interest paid	(2,396)	(3,569)
New secured bank loans raised	—	10,787
	<u>237,062</u>	<u>28,154</u>
NET CASH GENERATED FROM FINANCING ACTIVITIES		
	<u>237,062</u>	<u>28,154</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	16,247	6,663
CASH AND CASH EQUIVALENTS AT 1ST JANUARY	<u>30,545</u>	<u>23,882</u>
CASH AND CASH EQUIVALENTS AT 31ST DECEMBER	<u><u>46,792</u></u>	<u><u>30,545</u></u>
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Being:		
Bank balances and cash	47,749	31,249
Bank overdraft	(957)	(704)
	<u><u>46,792</u></u>	<u><u>30,545</u></u>