

# Consolidated Cash Flow Statement

Year ended 31 December 2002

Note	<b>2002</b> <b>HK\$'000</b>	2001 HK\$'000 <i>(Restated)</i>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(loss) before tax	<b>64,935</b>	(79,799)
Adjustments for:		
Share of results of associates	<b>(3,526)</b>	3,323
Amortisation of goodwill arising from the acquisition of associates	<b>403</b>	290
Interest income	<b>(962)</b>	(1,261)
Depreciation	<b>61,105</b>	59,136
(Gain)/loss on disposal of fixed assets	<b>3,965</b>	(101)
Loss on disposal of an associate	<b>—</b>	300
Deficit arising on revaluation of investment properties	<b>15,334</b>	10,840
Amortisation of goodwill arising from the acquisition of subsidiaries	<b>—</b>	355
Impairment loss recognised in respect of goodwill	<b>—</b>	2,638
Provision for bad and doubtful debts	<b>22,196</b>	43,239
Provision for inventories	<b>—</b>	13,556
Write-off of inventories	<b>—</b>	22,976
Interest expenses	<b>12,766</b>	23,399
Gain on disposal of discontinued operations	<b>(25,506)</b>	—
Gain on disposal of interests in subsidiaries	<b>(816)</b>	—
	<b>149,894</b>	98,891
Operating profit before working capital changes	<b>149,894</b>	98,891
Decrease in amount due from an associate	<b>6,330</b>	—
Increase in amounts due to associates	<b>11,717</b>	—
Decrease in inventories	<b>9,832</b>	100,498
Decrease/(increase) in trade receivables, prepayments, deposits and other receivables	<b>(103,584)</b>	5,564
Increase/(decrease) in trade and bills payables	<b>37,364</b>	(41,834)
Decrease in other payables and accruals	<b>(9,335)</b>	(51,349)
	<b>102,218</b>	111,770
Cash generated from operations	<b>102,218</b>	111,770
Hong Kong profits tax paid	<b>—</b>	(3,700)
Overseas taxes paid	<b>(11,665)</b>	(7,678)
	<b>86,192</b>	110,230
Net cash inflow/(outflow) from operating activities	<b>86,192</b>	110,230
Continuing operations	<b>86,192</b>	110,230
Discontinued operations	<b>4,361</b>	(9,838)
	<b>90,553</b>	100,392
Total	<b>90,553</b>	100,392

# Consolidated Cash Flow Statement

Year ended 31 December 2002

	Note	2002 HK\$'000	2001 HK\$'000 (Restated)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchases of fixed assets		<b>(61,905)</b>	(80,452)
Increase in interests in associates		<b>(5)</b>	(20,974)
Advances from associates		<b>23,759</b>	4,048
Decrease/(increase) in pledged bank deposits		<b>1,820</b>	(1,820)
Proceeds from disposal of fixed assets		<b>8,026</b>	11,677
Interest received		<b>962</b>	1,261
Disposal of interests in subsidiaries	26	<b>7,022</b>	—
Net cash outflow from investing activities		<b>(19,659)</b>	(85,530)
Continuing operations		<b>(662)</b>	(730)
Discontinued operations			
Total		<b>(20,321)</b>	(86,260)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Issue of shares		—	161,669
Repurchase of shares		<b>(7)</b>	(689)
Interest paid		<b>(13,255)</b>	(23,399)
New bank loans raised		<b>196,338</b>	68,390
Repayment of bank loans		<b>(215,652)</b>	(228,888)
Dividends paid		<b>(8,054)</b>	(24,170)
Dividends paid to minority shareholders		<b>(14,569)</b>	(19,321)
Net cash outflow from financing activities		<b>(53,840)</b>	(22,375)
Continuing operations		<b>(1,359)</b>	(44,033)
Discontinued operations			
Total		<b>(55,199)</b>	(66,408)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		<b>15,033</b>	(52,276)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		<b>78,727</b>	131,003
Effect of foreign exchange rate changes, net		<b>847</b>	—
CASH AND CASH EQUIVALENTS AT END OF YEAR		<b>94,607</b>	78,727
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances		<b>95,371</b>	89,407
Bank overdrafts		<b>(764)</b>	(10,680)
		<b>94,607</b>	78,727