

CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 December 2002

	Notes	2002 HK\$'000	2001 HK\$'000 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		75,229	59,746
Adjustments for:			
Finance costs	9	1,102	796
Interest income	6	(1,175)	(567)
Depreciation	6	7,007	4,713
Loss on disposal of fixed assets	6	693	–
Revaluation deficit on leasehold land and buildings	14	593	458
Operating profit before working capital changes		83,449	65,146
Increase in inventories		(9,952)	(27,644)
Decrease/(increase) in trade receivables		10,818	(22,536)
Decrease/(increase) in prepayments, deposits and other receivables		987	(1,169)
Increase in trade payables		2,873	18,451
Increase/(decrease) in other payables and accruals		10,192	(10,432)
Cash generated from operations		98,367	21,816
Interest received		1,175	567
Taxes paid		(791)	(231)
Net cash inflow from operating activities		98,751	22,152
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of fixed assets	14	(28,627)	(44,698)
Proceeds from disposal of fixed assets		3,647	–
Net cash outflow from investing activities		(24,980)	(44,698)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital	23	2	60,000
Share issue expenses	23	–	(13,096)
New bank loans		51,402	14,018
Repayment of bank loans		(50,721)	(12,783)
Capital element of finance lease rental payments		(263)	(87)
Dividends paid		(9,600)	(6,000)
Interest paid		(1,063)	(1,096)
Interest element on finance lease rental payments		(39)	(13)
Net cash (outflow)/inflow from financing activities		(10,282)	40,943
NET INCREASE IN CASH AND CASH EQUIVALENTS		63,489	18,397

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CONSOLIDATED CASH FLOW STATEMENT (Continued)

Year ended 31 December 2002

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	Notes	2002 HK\$'000	2001 HK\$'000 (Restated)
NET INCREASE IN CASH AND CASH EQUIVALENTS		63,489	18,397
Cash and cash equivalents at beginning of year		<u>41,752</u>	<u>23,355</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR		<u>105,241</u>	<u>41,752</u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	18	25,057	13,135
Time deposits with original maturity of less than three months when acquired	18	<u>80,184</u>	<u>28,617</u>
		<u>105,241</u>	<u>41,752</u>