

## Consolidated Cash Flow Statement ►

YEAR ENDED 31 DECEMBER 2002

	2002 HK\$'000	2001 HK\$'000 (Restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	<b>64,240</b>	29,505
Adjustments for:		
Finance costs	<b>2,024</b>	4,969
Share of profits and losses of jointly controlled entities	<b>(6,853)</b>	(7,198)
Share of profit of an associate	<b>(4,885)</b>	(4,733)
Loss on write off of interest in a jointly controlled entity	<b>6,495</b>	–
Loss on disposal of subsidiaries, net	–	2,152
Provision for/(recovery of) bad and doubtful debts, net	<b>(15,440)</b>	5,168
Interest income	<b>(214)</b>	(771)
Depreciation	<b>23,024</b>	22,553
Amortisation of land use rights	<b>559</b>	558
Deficit on revaluation of leasehold land and buildings, net	<b>126</b>	–
Deficit on revaluation of investment properties, net	<b>1,000</b>	80
Loss/(gain) on disposal of fixed assets, net	<b>12</b>	(83)
Operating profit before working capital changes	<b>70,088</b>	52,200
Decrease/(increase) in trade and bills receivables	<b>6,307</b>	(16,215)
Decrease/(increase) in prepayments, deposits and other receivables	<b>3,324</b>	(4,929)
Decrease/(increase) in inventories	<b>(4,417)</b>	4,267
Increase in amount due from a related company	<b>(471)</b>	–
Increase/(decrease) in trade and bills payables	<b>941</b>	(8,018)
Increase in other payables and accruals	<b>840</b>	4,509
Increase in provision for long service payments	<b>1,319</b>	–
Cash generated from operations	<b>77,931</b>	31,814
Interest received	<b>214</b>	771
Interest paid	<b>(2,003)</b>	(4,914)
Interest element on finance lease payments	<b>(21)</b>	–
Tax paid in Hong Kong, net	–	(49)
Tax paid in Mainland China, net	<b>(49)</b>	(812)
Net cash inflow from operating activities	<b>76,072</b>	26,810



## ◀ Consolidated Cash Flow Statement (Continued)

YEAR ENDED 31 DECEMBER 2002

	Note	<b>2002</b> <b>HK\$'000</b>	2001 HK\$'000 (Restated)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchases of fixed assets		<b>(34,218)</b>	(3,712)
Purchase of club membership		<b>(40)</b>	–
Proceeds from disposal of fixed assets		<b>18</b>	401
Dividends received from a jointly controlled entity		<b>2,570</b>	–
Dividends received from an associate		<b>3,351</b>	1,717
Proceeds from disposal of interests in subsidiaries	33(c)	–	1,702
Decrease in non-pledged time deposits with original maturity of more than three months when acquired		–	1,443
Decrease/(increase) in pledged time deposits		<b>(2,000)</b>	2,517
Net cash inflow/(outflow) from investing activities		<b>(30,319)</b>	4,068
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of bank loans		<b>(40,056)</b>	(61,151)
Proceeds from new bank loans		<b>11,183</b>	46,313
Increase in trust receipt loans		<b>8,242</b>	5,009
Repayment of advance from a related company		<b>(19,427)</b>	(19,960)
Repayment of loans from minority shareholders of a subsidiary		<b>(3,666)</b>	–
Capital element of finance lease payments		<b>(199)</b>	–
Net cash outflow from financing activities		<b>(43,923)</b>	(29,789)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>1,830</b>	1,089
Cash and cash equivalents at beginning of year		<b>24,582</b>	23,493
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>26,412</b>	24,582
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances, excluding pledged bank balances		<b>23,338</b>	20,717
Non-pledged time deposits with original maturity of less than three months when acquired		<b>3,074</b>	3,865
		<b>26,412</b>	24,582