

CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 December 2002

	Note	2002 HK\$'000	2001 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		51,252	37,615
Adjustments for:			
Depreciation of owned assets		5,286	4,016
Loss on disposal of fixed assets		19	238
Bad debts written off		563	–
Provision for inventory obsolescence		–	210
Foreign exchange losses, net		367	–
Interest income		(629)	(169)
Interest expense		82	102
Operating profit before working capital changes		56,940	42,012
Increase in inventories		(42)	(8,534)
Decrease/(increase) in accounts receivable		216	(563)
Decrease/(increase) in prepayments, deposits and other receivables		3,046	(2,894)
Decrease/(increase) in amounts due from directors		6,894	(9,664)
Increase in accounts payable		2,087	5,090
Increase in other payables and accruals		2,959	3,125
Cash generated from operations		72,100	28,572
Interest paid		(82)	(102)
Income taxes paid		–	–
Net cash inflow from operating activities		72,018	28,470
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of fixed assets		(9,284)	(6,931)
Proceeds from disposal of fixed assets		149	–
Interest received		629	169
Net cash outflow from investing activities		(8,506)	(6,762)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital		40,450	–
Share issue expenses paid		(8,402)	–
Dividends paid		(15,750)	(22,374)
New bank loans		–	3,738
Repayment of bank loans		(3,738)	–
Net cash inflow/(outflow) from financing activities		12,560	(18,636)
NET INCREASE IN CASH AND CASH EQUIVALENTS		76,072	3,072
Cash and cash equivalents at beginning of year	24	11,766	8,694
Cash and cash equivalents at end of year	24	87,838	11,766