

Consolidated Cash Flow Statement

Year ended 31 December 2002

	<i>Notes</i>	2002 <i>HK\$'000</i>	2001 <i>HK\$'000</i> (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(16,317)	(326,908)
Adjustments for:			
Finance costs	8	10,438	15,725
Interest income	6	(162)	(244)
(Gain)/loss on disposal of property, plant and equipment	6,7	154	(2,553)
Loss on liquidation and disposal of discontinued operation of a subsidiary		–	140,790
Depreciation	7	11,270	15,300
Amortisation of intangible assets	7	1,366	1,377
Provision against amounts due from associates		1,184	6,525
Impairment of property, plant and equipment, net of provision written back		(1,511)	14,534
Impairment of long term investment		820	154,700
Provisions for bad and doubtful debts		13,119	7,100
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Operating profit before working capital changes		20,361	26,346
Decrease in long term receivables		11,300	10,000
Decrease in inventories		11,778	46,904
Increase in trade receivables		(827)	(2,841)
(Increase)/decrease in prepayments, deposits and other receivables		10,680	(19,569)
Increase/(decrease) in trade payables		1,701	(8,295)
Increase/(decrease) in accrued liabilities and other payables		(3,397)	8,499
Exchange difference on working capital		(1,433)	(23,656)
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Cash generated from operations		50,163	37,388
Interest paid		(10,415)	(15,629)
Interest element on finance lease and hire purchase		(23)	(96)
Overseas taxes paid		(6,553)	(7,089)
Dividend paid to a minority shareholder		(6,935)	(8,470)
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Net cash inflow from operating activities – page 23			
Continuing operations		28,130	34,260
Discontinued operations		(1,893)	(28,156)
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		26,237	6,104
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Net cash inflow from operating activities – page 22		26,237	6,104
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		162	244
Purchases of property, plant and equipment	14	(7,944)	(13,266)
Proceeds from disposal of property, plant and equipment		4,009	17,226
Investment in an associate		–	(5,789)
Disposal of subsidiaries	32(b)	–	22,000
Liquidation of subsidiaries	23	–	23,219
Advances to associates		(2)	(85)
Deposit for investment		(3,738)	(6,675)
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Net cash inflow/(outflow) from investing activities		(7,513)	28,753
Continuing operations		(7,513)	28,753
Discontinued operations		–	8,121
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		(7,513)	36,874
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CASH FLOWS FROM FINANCING ACTIVITIES			
New bank loans		299,651	156,718
Repayment of bank loans		(313,801)	(183,674)
Decrease in trust receipt loans		(3,155)	(1,518)
Repayment of other loans		–	(1,045)
Increase/(decrease) in balance due to a minority shareholder		11,805	(26,398)
Capital element of finance lease payments		(296)	(2,203)
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Net cash outflow from financing activities		(5,796)	(57,867)
Continuing operations		(5,796)	(57,867)
Discontinued operations		–	(253)
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		(5,796)	(58,120)
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Year ended 31 December 2002

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NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
CASH EQUIVALENTS		12,928	(15,142)
Cash and cash equivalents at beginning of year		11,060	12,622
Effect of foreign exchange rate changes, net		(116)	13,580
		<u>23,872</u>	<u>11,060</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR			
		<u>23,872</u>	<u>11,060</u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	24	24,808	16,523
Non-pledged time deposits with original maturity of less than three months when required	24	1,504	–
Bank overdrafts, secured	26	(2,440)	(5,463)
		<u>23,872</u>	<u>11,060</u>

