

Consolidated Cash Flow Statement

For the Year Ended 31 December 2002

	NOTE	2002 HK\$'000	2001 HK\$'000
OPERATING ACTIVITIES			
Profit from operations		13,702	12,062
Adjustments for:			
Interest income		(1,795)	(1,712)
Depreciation and amortisation		41,318	29,587
Revaluation deficit of land and buildings		346	367
Loss (gain) on disposal of property, plant and equipment		463	(274)
Property, plant and equipment written off		8,047	2,597
Negative goodwill released		(374)	–
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Operating cash flows before movements in working capital		61,707	42,627
Decrease in inventories		11,744	20,915
(Increase) decrease in trade and other receivables		(24,206)	7,853
Decrease (increase) in bills receivable		5,886	(4,751)
Increase in amount due from an associate		(11,344)	–
Increase (decrease) in trade and other payables		12,771	(6,184)
Increase in bills payable		334	–
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Cash generated from operations		56,892	60,460
Hong Kong Profits Tax paid		(1,932)	(178)
Income tax outside Hong Kong refunded (paid)		305	(1,880)
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NET CASH FROM OPERATING ACTIVITIES		55,265	58,402
INVESTING ACTIVITIES			
Interest received		1,795	1,712
Purchase of property, plant and equipment		(26,535)	(24,369)
Proceeds from disposal of property, plant and equipment		1,622	688
Development expenditure paid		(9,360)	(9,360)
Investment in an associate		(19)	–
Advance to an associate		(28,458)	–
Bank balances transferred to an associate		(496)	–
Acquisition of a subsidiary	26	263	–
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NET CASH USED IN INVESTING ACTIVITIES		(61,188)	(31,329)

Consolidated Cash Flow Statement

For the Year Ended 31 December 2002

	2002 HK\$'000	2001 HK\$'000
FINANCING ACTIVITIES		
Dividend paid	(5,570)	–
Increase in trust receipt loans	793	3,645
Interest paid on bank borrowings	(3,224)	(3,477)
Interest paid on obligations under finance leases	(383)	(301)
New bank loans obtained	57,944	55,140
Repayment of bank loans	(54,205)	(42,056)
Repayment of obligations under finance leases	(804)	(3,713)
Repurchase of shares	(894)	(912)
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NET CASH (USED IN) FROM FINANCING ACTIVITIES	(6,343)	8,326
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NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(12,266)	35,399
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	80,984	45,585
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CASH AND CASH EQUIVALENTS CARRIED FORWARD	68,718	80,984
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ANALYSIS OF THE BALANCE OF CASH AND CASH EQUIVALENTS		
Cash and cash equivalents as previously reported	–	78,980
Effect of reclassification of trust receipt loans	–	2,004
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Cash and cash equivalents as restated	68,718	80,984
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Being:		
Bank balances and cash	68,718	80,984
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