

Consolidated Cash Flow Statement

For the year ended 31 December 2002

(Expressed in Hong Kong dollars)

	Note	2002		2001 (restated)	
		\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Profit from ordinary activities before taxation		231,144		201,685	
Adjustments for:					
– Depreciation		74,327		72,530	
– Amortisation of intangible assets		1,653		905	
– Finance costs		6,866		6,785	
– Interest income		(2,958)		(5,481)	
– Loss on sale of fixed assets		2,700		2,776	
– Impairment loss on goodwill		–		2,327	
– Negative goodwill released to income		–		(455)	
Operating profit before changes in working capital		313,732		281,072	
Increase in inventories		(62,064)		(134,461)	
Increase in debtors, deposits and prepayments		(56,303)		(3,689)	
Increase in amounts due from holding companies and fellow subsidiaries		(145,219)		(3,301)	
Increase in creditors and accrued charges		124,103		7,756	
(Decrease)/increase in amounts due to holding companies and fellow subsidiaries		(42,227)		16,746	
Cash generated from operations		132,022		164,123	
Tax paid					
Hong Kong profits tax paid		(205)		(7,541)	
PRC income tax paid		(14,159)		(6,523)	
Net cash from operating activities carried forward			117,658	150,059	

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Net cash from operating activities brought forward			117,658		150,059
Cash flows from investing activities					
Payment for purchase of property, plant and equipment		(122,509)		(87,543)	
Proceeds from disposal of property, plant and equipment		4,291		2	
Payment for purchase of intangible assets		(4,033)		(821)	
Payment for purchase of subsidiaries (net of cash acquired)	28	(57,181)		(6,654)	
Consideration paid for subsidiaries acquired in prior year		–		(13,364)	
Decrease in short-term pledged bank deposits and bank balance		–		59,329	
Interest received		2,958		5,481	
Net cash used in investing activities			(176,474)		(43,570)
Cash flows from financing activities					
Proceeds from new bank loans		1,421,309		517,209	
Repayment of bank loans		(1,287,617)		(503,041)	
Dividends paid		(31,104)		(36,289)	
Dividends paid by a subsidiary to a minority shareholder		(46,805)		(26,400)	
New contribution from minority shareholders		24,197		–	
Interest paid		(6,866)		(6,785)	
Repayment of loan from a fellow subsidiary		(1,869)			
Net cash generated from/(used in) financing activities carried forward			71,245		(55,306)

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Net cash generated from/(used in) financing activities brought forward			71,245		(55,306)
Net increase in cash and cash equivalents			12,429		51,183
Cash and cash equivalents at 1 January			254,405		203,240
Effect of foreign exchange rate changes			1,445		(18)
Cash and cash equivalents at 31 December	20		268,279		254,405

The notes on pages 28 to 65 form part of these financial statements.