

Consolidated Cash Flow Statement

Year ended 31 December 2002

Annual Report 2002

	Notes	2002 HK\$'000	2001 HK\$'000 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		9,902	60,365
Adjustments for:			
Finance costs	10	1,728	676
Depreciation	7	14,661	12,380
Amortisation of long term lease rights	7	1,700	1,700
Revaluation deficit on leasehold land and buildings	7	752	296
Loss on disposal of fixed assets	7	80	9
Provision for slow-moving and obsolete inventories	7	1,812	-
Provision for bad and doubtful debts	7	1,418	245
Gain on disposal of short term listed investments	6	(41)	-
Unrealised gain on short term listed investments	6	(553)	-
Interest income	6	(1,088)	(755)
Operating profit before working capital changes		30,371	74,916
Increase in prepayments, deposits and other receivables		(1,690)	(3,233)
Increase in inventories		(3,149)	(8,465)
Increase in trade receivables		(15,932)	(944)
Purchases of short term investments		(3,392)	-
Proceeds from disposal of short term investments		354	-
Decrease in trade payables		(10,044)	(18,272)
Increase in other payables and accruals		101	998
Cash generated from/(used in) operations		(3,381)	45,000
Interest received		1,088	755
Hong Kong profits tax paid		(161)	(273)
Overseas taxes paid		-	(146)
Net cash inflow/(outflow) from operating activities		(2,454)	45,336

	Notes	2002 HK\$'000	2001 HK\$'000 (Restated)
CASH FLOWS FROM INVESTING ACTIVITIES			
Long term deposits paid		(15,905)	(3,637)
Purchases of fixed assets		(21,261)	(13,301)
Proceeds from disposal of fixed assets		170	15
Disposal of subsidiaries	32(b)	(57)	(197)
Advances to an associate		(1,828)	-
Advances of loan to a director		(594)	-
Repayment of loan from a director		74	-
Advances of loans to third parties		(10,672)	-
Repayment of loans from third parties		4,019	-
Increase in pledged time deposits		(6,000)	(24,000)
Net cash outflow from investing activities		(52,054)	(41,120)
CASH FLOWS FROM FINANCING ACTIVITIES			
New bank loans		27,688	-
Increase in trust receipt loans		16,910	3,993
Repayment of bank loans		(4,789)	(563)
Capital element of finance lease rental payments		(279)	(52)
Interest paid		(1,728)	(676)
Repayment to a minority equity holder		-	(17,806)
Proceeds from issue of share capital	29	-	58,000
Share issue expenses	29	-	(11,876)
Dividend paid		-	(40,000)
Net cash inflow/(outflow) from financing activities		37,802	(8,980)
NET DECREASE IN CASH AND CASH EQUIVALENTS			
		(16,706)	(4,764)
Cash and cash equivalents at beginning of year		5,519	10,283
CASH AND CASH EQUIVALENTS AT END OF YEAR			
		(11,187)	5,519
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances		22,822	7,387
Bank overdrafts, secured		(34,009)	(1,868)
		(11,187)	5,519