

CONSOLIDATED CASH FLOW STATEMENTS

Year ended 31 December 2002

	<i>Notes</i>	2002 HK\$'000	2001 <i>HK\$'000</i>
CASH FLOWS FROM OPERATING ACTIVITIES			
PROFIT BEFORE TAXATION		18,797	45,663
ADJUSTMENTS FOR:			
Depreciation	13	18,062	9,099
Interest received		(124)	(16)
Interest expenses		386	–
Loss on disposal of fixed assets		966	–
Provision for taxation		1,495	–
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OPERATING CASH FLOWS BEFORE MOVEMENTS IN WORKING CAPITAL		39,582	54,746
Decrease/(increase) in inventories		4,559	(3,027)
Decrease/(increase) in accounts receivable		30,487	(34,011)
Increase in prepayments, deposits and other receivable		(37,583)	(2,257)
(Increase)/decrease in an amount due from director		–	4,490
(Decrease)/increase in trust receipt loans	16	(4,124)	7,623
(Decrease)/ increase in accounts payable		(7,518)	5,373
Increase in accrued liabilities and other payables		820	180
Increase in an amount due to related companies		289	–
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NET CASH INFLOW FROM OPERATING ACTIVITIES		26,512	33,117

The notes on pages 24 to 40 form an integral part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENTS *(Continued)*

Year ended 31 December 2002

	2002	2001
	HK\$'000	HK\$'000
NET CASH INFLOW FROM OPERATING ACTIVITIES	26,512	33,117
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	124	16
Interest paid	(386)	(310)
Dividends paid	-	(13,000)
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	(262)	(13,294)
TAXATION		
Tax paid	-	-
INVESTING ACTIVITIES		
Purchases of fixed assets	(65,838)	(12,423)
NET CASH (OUTFLOW)/INFLOW BEFORE FINANCING ACTIVITIES	(39,588)	7,400
FINANCING ACTIVITIES		
Proceeds from issue of share capital	26,824	-
Bank loan raised	15,000	-
Repayment of bank loan	(5,234)	(4,106)
Hire purchase raised	800	-
Repayment of hire purchase	(243)	-
INCREASE IN CASH AND CASH EQUIVALENTS	(2,441)	3,294
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	4,402	1,108
CASH AND CASH EQUIVALENTS AT END OF YEAR	1,961	4,402
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	1,961	4,402

The notes on pages 24 to 40 form an integral part of these financial statements.