

Consolidated Cash Flow Statement

For the year ended 31st December, 2003

Note	2003 US\$'000	2002 US\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	32,105	20,997
Adjustments for:		
Depreciation	6,981	5,255
Loss (gain) on disposal of property, plant and equipment	457	(25)
Gain on deemed disposal of a subsidiary	–	(17)
Share of results of associates	(1,088)	(8,023)
Share of results of jointly controlled entities	(5,100)	511
Amortisation of patents	253	254
Amortisation of goodwill	80	–
Amortisation of other assets	359	234
Interest element of finance leases	1	28
Interest income	(299)	(120)
Interest expenses	3,582	1,355
Operating cash flows before movements in working capital	37,331	20,449
Increase in inventories	(6,022)	(951)
Decrease (increase) in accounts receivable	30,828	(9,470)
(Increase) decrease in prepayments and other receivables	(65,916)	5,251
Decrease in amount due from ultimate holding company	100	12
(Increase) decrease in amounts due from fellow subsidiaries	(70)	5
Decrease (increase) in amounts due from associates	583	(933)
Increase in amounts due from jointly controlled entities	(7,723)	(1,127)
(Increase) decrease in amounts due from related companies	(573)	19
(Decrease) increase in accounts payable	(1,766)	7,319
Decrease in accruals and other payables	(1,490)	(1,722)
Decrease in bills payable	(4,428)	(5,039)
Decrease in amount due to ultimate holding company	(1,331)	(257)
Increase (decrease) in amounts due to associates	20	(33)
Decrease in amounts due to jointly controlled entities	(158)	(687)
Cash (used in) generated from operations	(20,615)	12,836
Interest paid	(3,583)	(1,383)
Taxation paid	(1,943)	(1,363)
Taxation refunded	1,470	–
Net cash (used in) from operating activities	(24,671)	10,090

Consolidated Cash Flow Statement *(Continued)*

For the year ended 31st December, 2003

	Note	2003 US\$'000	2002 US\$'000
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(14,202)	(3,616)
Decrease in pledged deposit		1,042	2,990
Additions to other assets		(354)	(35)
Increase in investment in associates		(120)	(7,457)
Increase in investment in jointly controlled entities		(10,663)	(1,120)
Proceeds on disposal of property, plant and equipment		630	230
Increase in interest of a subsidiary		(3)	–
Deemed disposal of a subsidiary		–	(2,533)
Acquisition of subsidiaries	37	32,687	–
Dividends received from associates and jointly controlled entities		1,092	2,255
Interest received		299	120
Net cash from (used in) investing activities		10,408	(9,166)
CASH FLOWS FROM FINANCING ACTIVITIES			
New bank loans		160,489	69,505
Repayment of bank loans		(130,384)	(62,911)
Capital repayment of finance leases		(6)	(487)
Dividends paid to minority shareholders		(4,139)	(2,719)
Dividends paid		(5,543)	(1,169)
Proceeds from issue of shares, net of expenses		16,768	–
Net cash from financing activities		37,185	2,219
NET INCREASE IN CASH AND CASH EQUIVALENTS		22,922	3,143
CASH AND CASH EQUIVALENTS AT 1ST JANUARY		21,567	18,424
Effect of foreign exchange rate changes		(4)	–
CASH AND CASH EQUIVALENTS AT 31ST DECEMBER		44,485	21,567
BALANCE OF CASH AND CASH EQUIVALENTS REPRESENTED BY:			
Bank balances and cash		44,485	21,567