

Consolidated Cash Flow Statement

For the year ended 31 December, 2003

	2003 HK\$'000	2002 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	33,872	27,373
Adjustments for:		
Interest income	(5,043)	(6,594)
Interest expenses	3,517	7,594
Depreciation and amortisation	7,753	6,177
(Gain) loss on disposals of property, plant and equipment	(97)	6
Gain on disposals of convertible note receivable	(4,000)	–
Loan arrangement fee income	(3,116)	–
Deficit arising on revaluation of an investment property	–	817
Operating cash flows before movements in working capital	32,886	35,373
Decrease (increase) in inventories	1,854	(5,449)
Increase in trade and other receivables	(7,277)	(5,904)
Decrease in trade and other payables	(203)	(3,178)
Cash generated from operations	27,260	20,842
Hong Kong Profits Tax paid	(2,414)	(1,261)
Interest paid	(3,702)	(7,594)
NET CASH FROM OPERATING ACTIVITIES	21,144	11,987
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of club membership	(160)	–
Purchase of investment property	–	(19,384)
Purchase of property, plant and equipment	(2,675)	(5,986)
Purchase of convertible note receivables	(35,000)	–
Interest received	5,241	6,726
Proceeds from maturity of convertible note receivable	28,000	–
Proceeds on disposals of property, plant and equipment	183	15
Proceeds on disposals of convertible note receivable	21,500	–
Net loan advanced to an outsider	(74,784)	–
NET CASH USED IN INVESTING ACTIVITIES	(57,695)	(18,629)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares on exercise of warrants	–	18,196
Dividends paid	(7,131)	(6,889)
NET CASH (USED IN) ADVANCED FROM FINANCING ACTIVITIES	(7,131)	11,307
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(43,682)	4,665
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	244,275	239,610
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	200,593	244,275
ANALYSIS OF THE BALANCE OF CASH AND CASH EQUIVALENTS		
Short-term bank deposits	198,737	243,007
Bank balances and cash	1,856	1,268
	200,593	244,275