

Consolidated Cash Flow Statement

Year ended 31 December 2003

	<i>Notes</i>	2003 HK\$'000	2002 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		18,926	45,531
Adjustments for:			
Finance costs	8	263	35
Interest income	6	(605)	(1,011)
Amortisation of goodwill		671	360
Depreciation	7	6,517	6,179
Loss on disposal of fixed assets	7	4	898
Share of profits and losses of associates		(675)	–
Revaluation deficit/(surplus) of fixed assets	7	(64)	409
Gain on dissolution of subsidiaries	6	–	(601)
Loss on disposal of subsidiaries	7	–	4,266
Operating profit before working capital changes		25,037	56,066
Increase in inventories		(1,746)	(5,015)
Decrease/(increase) in trade receivables		(14,168)	28,780
Decrease/(increase) in prepayments, deposits and other receivables		(3,956)	544
Decrease/(increase) in amounts due from related companies		4	(16)
Decrease in an amount due from a director		–	51
Increase/(decrease) in trade payables		4,767	(16,259)
Increase in other payables and accruals		7,013	2,212
Exchange adjustments		(139)	(7)
Cash generated from operations		16,812	66,356
Interest received		605	1,011
Interest paid		(263)	(35)
Hong Kong profits tax refunded		–	4,217
Hong Kong profits tax paid		(4,435)	(8,314)
Overseas taxes paid		(695)	(479)
Net cash inflow from operating activities		12,024	62,756

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Consolidated Cash Flow Statement (continued)

Year ended 31 December 2003

	<i>Notes</i>	2003 HK\$'000	2002 HK\$'000
Net cash inflow from operating activities		12,024	62,756
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of fixed assets		(69,403)	(12,088)
Proceeds from disposal of fixed assets		-	23
Decrease in loan receivable		275	150
Acquisition of associates		(6,440)	-
Acquisition of subsidiaries		-	(2,514)
Disposal of subsidiaries		-	(1,827)
Net cash outflow from investing activities		(75,568)	(16,256)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital	26	27,360	44,002
Share issue expenses	26	(1,120)	(7,965)
New bank loans	24	20,000	-
Repayment of bank loans		-	(2,960)
Dividends paid		(13,376)	(12,800)
Net cash inflow from financing activities		32,864	20,277
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(30,680)	66,777
Cash and cash equivalents at beginning of year		87,029	20,252
CASH AND CASH EQUIVALENTS AT END OF YEAR		56,349	87,029
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	22	16,789	24,577
Time deposits with original maturity of less than three months when acquired	22	39,560	62,452
		56,349	87,029