

Consolidated Cash Flow Statement

For the year ended 31st December, 2003

	2003	2002
	<i>HK\$ '000</i>	<i>HK\$ '000</i>
OPERATING ACTIVITIES		
Profit from operations	20,082	33,201
Adjustments for:		
Depreciation of property, plant and equipment	13,247	14,020
Unrealised losses on trading securities	374	1,432
Allowance for bad and doubtful debts	6,731	1,365
Impairment loss recognised in respect of other securities	1,790	–
Loss on disposal of property, plant and equipment	–	509
Deficit on revaluation of investment properties	100	300
Amortisation of goodwill	107	107
Gain on disposal of trading securities	(1,845)	(1,469)
Interest income	(2,063)	(1,620)
Dividend income from trading and other securities	(279)	(200)
Negative goodwill released to income	(421)	–
Gain on redemption of other securities	–	(255)
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Operating cash flows before movements in working capital	37,823	47,390
Increase in inventories	(5,382)	(5,514)
(Increase) decrease in trade and other receivables	(9,291)	15,507
Increase in trade and other payables	5,395	5,943
Decrease in amount due from a minority shareholder of a subsidiary	–	2
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Cash generated from operations	28,545	63,328
Hong Kong Profits Tax paid	(2,649)	(3,793)
Interest paid	(181)	(156)
Hong Kong Profits Tax refunded	895	804
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NET CASH FROM OPERATING ACTIVITIES	26,610	60,183
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INVESTING ACTIVITIES		
Purchase of trading securities	(134,132)	(65,278)
Acquisition of a subsidiary (<i>Note 26</i>)	(16,484)	–
Purchase of property, plant and equipment	(9,356)	(15,796)
Purchase of other securities	(1,511)	(3,810)
Proceeds on disposal of trading securities	136,453	70,576
Interest received	2,063	1,620
Dividend received from trading and other securities	279	200
Proceeds on disposal of property, plant and equipment	–	4
Proceeds on redemption of other securities	–	2,275
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NET CASH USED IN INVESTING ACTIVITIES	(22,688)	(10,209)
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Consolidated Cash Flow Statement

(Cont'd)

For the year ended 31st December, 2002

	2003 <i>HK\$ '000</i>	2002 <i>HK\$ '000</i>
FINANCING ACTIVITIES		
Dividends paid	(15,309)	(15,477)
Repayment of secured bank borrowings	(519)	–
Dividend paid to minority shareholders	(300)	(600)
Repayment of obligations under a finance lease	(17)	–
Proceeds from issue of new shares	7,193	–
Payment for repurchase of shares	–	(7,850)
Capital contributed by minority shareholders	–	200
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NET CASH USED IN FINANCING ACTIVITIES	(8,952)	(23,727)
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NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(5,030)	26,247
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	73,482	47,213
Effect of foreign exchange rate change	–	22
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CASH AND CASH EQUIVALENTS CARRIED FORWARD	68,452	73,482
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ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	70,224	73,482
Bank overdrafts	(1,772)	–
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	68,452	73,482
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