

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER, 2003

<i>Notes</i>	2003 <i>HK\$'000</i>	2002 <i>HK\$'000</i>
OPERATING ACTIVITIES		
Profit from operations	36,107	19,655
Adjustments for:		
Loss on disposal of interest in subsidiaries	8,318	–
Interest income	(861)	(1,079)
Allowance for bad and doubtful debts	108	389
Write back of allowance for bad and doubtful debts	(682)	(3,064)
Amortisation of goodwill	463	–
Depreciation	6,973	10,717
Loss on disposal of property, plant and equipment	106	251
Operating cash flows before movements in working capital	50,532	26,869
Increase in inventories	(5,817)	(2,152)
(Increase) decrease in trade and other receivables	(34,206)	10,311
Decrease (increase) in amounts due from customers for contract work	77	(7)
(Increase) decrease in amounts due from former fellow subsidiaries	(453)	299
Decrease in amounts due to customers for contract work	(7,094)	(13,724)
Increase (decrease) in trade and other payables	17,121	(6,112)
Increase in amount due to ultimate holding company	900	–
Increase (decrease) in amounts due to former fellow subsidiaries	2,846	(3,455)
Cash generated from operations	23,906	12,029
Hong Kong Profits Tax paid	(3)	(509)
NET CASH FROM OPERATING ACTIVITIES	23,903	11,520
INVESTING ACTIVITIES		
Interest received	2,560	555
Purchase of property, plant and equipment	(704)	(863)
Proceeds from disposal of property, plant and equipment	119	675
Acquisition of subsidiaries, net of cash and cash equivalent acquired	30	(75,631)
Disposal of subsidiaries, net of cash and cash equivalent disposed of	31	95,122
Increase in loans receivable	(6,281)	–
Decrease in pledged bank deposits	–	434
Decrease in long-term receivables	115	169
NET CASH FROM INVESTING ACTIVITIES	15,300	970

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER, 2003

	2003 HK\$'000	2002 HK\$'000
FINANCING ACTIVITIES		
Dividend paid	(8,912)	(8,994)
Interest paid	(6,461)	(1,008)
Repayment of borrowings	(151,218)	–
Repayment of obligations under finance leases	(2,020)	(5,540)
New borrowings raised	94,500	–
New trust receipt loans raised	3,693	43,783
Repayment of trust receipt loans	–	(48,747)
Repayment to a shareholder of the ultimate holding company	–	(124)
Guarantee money received	3,000	–
NET CASH USED IN FINANCING ACTIVITIES	(67,418)	(20,630)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(28,215)	(8,140)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	36,036	44,176
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	7,821	36,036
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	7,821	36,036