

Consolidated Cash Flow Statement

For the year ended 31 December 2002

	2002 HK\$'000	2001 HK\$'000
Cash flows from operating activities		
Profit before taxation	11,784	42,723
Adjustments for:		
Depreciation	14,324	8,428
Interest income	(82)	(530)
Interest expenses	661	59
Loss on disposal of property, plant and equipment	342	480
(Write-back)/Provision for inventory obsolescence	(1,723)	411
Provision for bad and doubtful debts	436	244
<i>Operating profit before working capital changes</i>	25,742	51,815
(Increase)/Decrease in inventories	(10,712)	8,977
(Increase)/Decrease in trade and other receivables	(13,583)	14,462
Decrease in bills receivable	—	146
Decrease/(Increase) in amounts due from fellow subsidiaries	51,704	(52,134)
Increase/(Decrease) in trade and other payables	21,521	(24,548)
Decrease in amount due to ultimate holding company	—	(5,000)
Decrease in amounts due to fellow subsidiaries	(53)	(4,031)
<i>Cash generated from/(used in) operations</i>	74,619	(10,313)
Income tax paid	(3,275)	(3,718)
Income tax refunded	2,525	130
Net cash from/(used in) operating activities	73,869	(13,901)
Cash flows from investing activities		
Payments to acquire property, plant and equipment	(97,681)	(15,235)
Receipts from disposal of property, plant and equipment	36	1,879
Receipts from disposal of investment properties	—	4,120
Interest received	82	530
Net cash used in investing activities	(97,563)	(8,706)
Cash flows from financing activities		
New bank loans borrowed	35,100	—
Repayment of bank loans	(4,387)	(186)
Repayment of obligations under hire purchase contracts	—	(510)
Increase in trust receipt loans	2,129	2,074
Interest paid	(661)	(59)
Dividends paid	(7,810)	—
Net cash from financing activities	24,371	1,319
Increase/(Decrease) in cash and cash equivalents	677	(21,288)
Cash and cash equivalents at the beginning of the year	12,666	33,954
Cash and cash equivalents at the end of the year	13,343	12,666
Analysis of the balances of cash and cash equivalents		
Bank balances and cash	13,343	12,666