

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st December, 2002

	Note	2002 HK\$'000	2001 HK\$'000
OPERATING ACTIVITIES			
Profit from operations		56,855	37,167
Adjustments for:			
Interest income		(2,038)	(4,647)
Dividend income		(1)	(10)
Release of negative goodwill to income		(3,880)	–
Impairment loss on property, plant and equipment		–	1,263
Depreciation and amortisation		33,390	34,463
Loss on disposal of investments in securities		2	6
Gain on disposal of property, plant and equipment		(214)	(928)
Retirement benefit obligations		283	–
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Operating cash flows before movements in working capital		84,397	67,314
(Increase) decrease in inventories		(11,516)	20,080
(Increase) decrease in trade receivables		(50,605)	57,769
Decrease in deposits, prepayments and other receivables		2,533	9,350
Increase (decrease) in trade payables		54,122	(1,084)
Increase in accrued charges and other payables		44,448	8,356
Decrease in an amount due to a related company		(6,301)	(252)
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Net cash generated from operations		117,078	161,533
Hong Kong Profits Tax paid		(1,145)	(5,299)
Overseas tax paid		–	(300)
Hong Kong Profits Tax refunded		330	99
Interest paid		(8,223)	(7,944)
Finance charge on obligations under finance leases		(175)	(595)
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NET CASH FROM OPERATING ACTIVITIES		107,865	147,494
INVESTING ACTIVITIES			
Payments for properties under development		(72,971)	(4,214)
Purchase of property, plant and equipment		(11,640)	(38,034)
Reimbursement of payment for properties under development from related companies		14,724	2,242
Interest received		2,038	4,647
Proceeds from disposal of property, plant and equipment		892	2,090
Proceeds from disposal of investments in securities		136	219
Dividend received from investments in securities		1	10
Decrease in pledged bank deposits		–	24,848
Purchase of subsidiaries (net of cash and cash equivalents acquired)	30	–	4,210
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NET CASH USED IN INVESTING ACTIVITIES		(66,820)	(3,982)

CONSOLIDATED CASH FLOW STATEMENT (cont'd)

For the year ended 31st December, 2002

	2002 HK\$'000	2001 HK\$'000
FINANCING ACTIVITIES		
New import loans raised	88,633	54,997
New bank loans raised	48,692	41,677
Advance from a minority shareholder	13,648	–
Repayment of import loans	(93,536)	(64,553)
Repayment of bank loans	(36,523)	(32,135)
Dividends paid	(14,222)	–
Repayment of obligations under finance leases and hire purchase contracts	(1,863)	(10,614)
Repayment of other loans	–	(1,566)
Proceeds from issue of ordinary shares	–	145
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NET CASH FROM (USED IN) FINANCING ACTIVITIES	4,829	(12,049)
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INCREASE IN CASH AND CASH EQUIVALENTS	45,874	131,463
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CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	136,255	4,792
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CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank balances and cash	182,129	136,255
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ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and cash equivalents as previously reported		114,689
Effect of reclassification of import loans with less than three months to maturity when raised		21,566
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Cash and cash equivalents as restated		136,255
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