

Consolidated Cash Flow Statement

For the year ended 31st December, 2002

	Note	2002 HK\$'000	2001 HK\$'000
OPERATING ACTIVITIES			
Profit before taxation		41,637	37,607
Adjustments for:			
Share of results of associates		(6,541)	(1,367)
Interest income		(1,093)	(2,029)
Interest expenses		8	7
Depreciation and amortisation of property, plant and equipment		3,706	3,604
Loss on disposal of property, plant and equipment		1,701	346
Gain on disposal of subsidiaries		–	(2,722)
Allowance for bad and doubtful debts		3,406	841
Gain on disposal of investments in securities		(160)	–
Unrealised holding gain on investment in securities		(89)	–
Operating cash flows before movements in working capital		42,575	36,287
Increase in inventories		(8,708)	(1,513)
Increase in trade and other receivables		(17,044)	(9,277)
Decrease in amount due from an associate		2,368	1,190
Decrease in amounts due from related companies		–	953
Increase (decrease) in trade and other payables		15,760	(1,917)
Increase (decrease) in amount due to a related company		8	(1,507)
Increase in amount due to an associate		9,121	–
Cash generated from operations		44,080	24,216
Interest received		1,093	2,029
Interest paid		(8)	(7)
Hong Kong Profits Tax paid		(3,223)	(1,218)
The PRC income tax paid		(1,431)	(256)
NET CASH FROM OPERATING ACTIVITIES		40,511	24,764
INVESTING ACTIVITIES			
Purchase of investment in securities		(10,195)	(5,009)
Purchase of property, plant and equipment		(7,767)	(6,921)
Proceeds from disposal of investments in securities		5,169	–
Proceeds from disposal of property, plant and equipment		19	1,690
Proceeds from disposal of subsidiaries (net of cash and cash equivalents disposed of)	21	–	13,790
Repayment from associates		–	519
NET CASH (USED IN) FROM INVESTING ACTIVITIES		(12,774)	4,069

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	2002	2001
	HK\$'000	HK\$'000
FINANCING		
Dividends paid	(45,000)	(27,000)
Net proceeds from issue of shares to the public	29,242	–
Capital contribution from minority shareholders	–	90
Repayment to minority shareholders	–	(80)
NET CASH USED IN FINANCING ACTIVITIES	(15,758)	(26,990)
NET INCREASE IN CASH AND CASH EQUIVALENTS	11,979	1,843
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	56,018	54,180
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	(5)	(5)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank balances and cash	67,992	56,018