

► Consolidated Cash Flow Statement

For the year ended 31st December, 2002

Note	2002 HK\$'000	2001 HK\$'000
OPERATING ACTIVITIES		
Profit from ordinary activities before taxation	103,273	113,084
Adjustments for:		
Interest income	(1,187)	(3,217)
Interest expense	52	1,055
Rental income	(313)	(602)
Loss on disposal of property, plant and equipment	1,179	1,572
Impairment loss recognised in respect of intellectual property rights	—	8,476
Depreciation and amortisation of property, plant and equipment	28,422	23,724
Amortisation of intellectual property rights	5,310	5,861
Deficit arising on revaluation of leasehold land and buildings	6,750	5,254
Deficit arising on revaluation of investment properties	500	1,138
Unrealised holding loss on other investments	—	2,300
Share of results of a jointly controlled entity	—	883
Impairment loss on goodwill arising on acquisition of a jointly controlled entity	—	3,181
Release of negative goodwill	(269)	(269)
Impairment of goodwill	—	48
Operating cash flows before movements in working capital	143,717	162,488
(Increase) decrease in inventories	(1,970)	24,156
Decrease in trade and other receivables	32,592	14,237
Decrease in trade and other payables	(39,598)	(74,074)
Cash generated from operations	134,741	126,807
Hong Kong Profits Tax paid	(4,908)	(819)
Overseas tax paid	(3,262)	(5,080)
NET CASH FROM OPERATING ACTIVITIES	126,571	120,908
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(40,597)	(69,646)
Loan to an associate	(2,340)	(9,360)
Interest received	1,187	3,217
Rental received	313	602
Proceeds from disposal of property, plant and equipment	76	6,475
Acquisition of a jointly controlled entity	—	(53,181)
Acquisition of other investments	—	(21,134)
Acquisition of subsidiaries	—	2,092
29	(41,361)	(140,935)
NET CASH USED IN INVESTING ACTIVITIES	(41,361)	(140,935)

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	2002 HK\$'000	2001 HK\$'000
FINANCING		
Dividends paid	(57,796)	(72,471)
Repayment of bank loans	(3,900)	(110,284)
Dividend paid by a subsidiary to a minority shareholder	(2,880)	—
Repurchase of shares	(312)	(3,635)
Interest paid	(52)	(1,055)
Loans from minority shareholders	2,775	390
Capital contribution from minority shareholders	926	—
Bank loans raised	500	109,031
Advance from a jointly controlled entity	—	49,117
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NET CASH USED IN FINANCING ACTIVITIES	(60,739)	(28,907)
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INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	24,471	(48,934)
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CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	101,346	150,315
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EFFECT OF FOREIGN EXCHANGE RATE CHANGES	(6)	(35)
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CASH AND CASH EQUIVALENTS AT END OF THE YEAR, representing bank balances and cash	125,811	101,346