

# CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2002

	NOTE	2002 HK\$'000	2001 HK\$'000
<b>OPERATING ACTIVITIES</b>			
Profit from operations		104,285	102,622
Adjustments for:			
Dividend income		(36)	(36)
Interest on bank deposits		(1,925)	(3,569)
Yield on held-to-maturity securities		(2,635)	(1,832)
Depreciation of property, plant and equipment		39,518	39,633
Net realised loss on dealing securities		49	102
Net unrealised holding loss (gain) on dealing securities		555	(460)
Loss (gain) on disposals of property, plant and equipment		71	(160)
Decrease (increase) on revaluation of properties		538	(1,462)
Operating cash flow before movements in working capital		140,420	134,838
Decrease (increase) in inventories		12,009	(6,214)
Decrease in trade and other receivables		319	6,813
Decrease in bills receivable		1,031	7,939
(Increase) decrease in deposits and prepayments		(1,093)	2,487
Decrease in trade and other payables		(3,526)	(4,693)
Increase in deposits and accruals		3,348	3,973
Cash generated from operations		152,508	145,143
Income taxes paid		(7,696)	(12,288)
Interest paid		(48)	(34)
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>144,764</b>	<b>132,821</b>
<b>INVESTING ACTIVITIES</b>			
Interest received on bank deposits		1,925	3,619
Interest received on held-to-maturity securities		2,846	1,621
Dividends received from listed securities		36	36
Purchase of property, plant and equipment		(40,717)	(48,380)
Redemption of held-to-maturity securities		10,000	10,000
Proceeds from disposal of property, plant and equipment		1,178	326
Proceeds from sales of dealing securities		199	331
Decrease (increase) in bank deposits not within three months of maturity		68,431	(46,511)
Purchase of held-to-maturity securities		(30,271)	(25,663)
Purchase of dealing securities		(143)	—
<b>NET CASH FROM (USED IN) INVESTING ACTIVITIES</b>		<b>13,484</b>	<b>(104,621)</b>
<b>FINANCING ACTIVITIES</b>			
Dividends paid		(55,272)	(51,007)
Issue of shares pursuant to exercise of share options		9,600	—
Repurchase of own shares	21	(781)	(1,629)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<b>(46,453)</b>	<b>(52,636)</b>

# CONSOLIDATED CASH FLOW STATEMENT (Cont'd)

FOR THE YEAR ENDED 31ST DECEMBER 2002

	2002 HK\$'000	2001 HK\$'000
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	111,795	(24,436)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	<u>75,323</u>	<u>99,759</u>
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	<u><u>187,118</u></u>	<u><u>75,323</u></u>
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	195,698	153,216
Bank overdrafts, secured	<u>—</u>	<u>(882)</u>
	195,698	152,334
Less: Bank deposits not within three months of maturity when acquired	<u>(8,580)</u>	<u>(77,011)</u>
	<u><u>187,118</u></u>	<u><u>75,323</u></u>