

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st December, 2002

	Notes	2002 HK\$	2001 HK\$
OPERATING ACTIVITIES			
Profit (loss) from operations		55,928,560	(74,910,946)
Adjustments for:			
Depreciation and amortisation of property, plant and equipment		60,001,248	54,826,055
Amortisation of goodwill		3,091,571	5,541,778
Release of negative goodwill		(701,230)	(6,425,434)
Loss on disposal of property, plant and equipment		2,278,044	3,423,592
Deficit arising on revaluation of investment properties		–	1,350,000
Deficit arising on revaluation of leasehold land and buildings		565,434	711,435
Allowance for bad and doubtful debts		3,860,061	41,184,726
Allowance for obsolete inventories		5,919,558	28,075,161
Operating cash flows before movements in working capital		130,943,246	53,776,367
(Increase) decrease in inventories		(61,569,612)	69,883,098
(Increase) decrease in trade and other receivables		(74,083,818)	91,008,795
Increase in bills receivable		(2,178,373)	(1,912,109)
Increase (decrease) in trade and other payables		110,312,789	(102,273,492)
Increase (decrease) in bills payable		33,172,849	(45,214,791)
Cash generated from operations		136,597,081	65,267,868
Tax outside Hong Kong paid		(4,634,730)	(8,316,593)
Hong Kong Profits Tax paid		(2,493,055)	(3,432,936)
NET CASH FROM OPERATING ACTIVITIES		129,469,296	53,518,339
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(64,762,957)	(88,128,158)
(Increase) decrease in pledged bank deposits		(17,069,448)	764,988
Acquisition of associates		(10,198,595)	(4,800,000)
Disposal of subsidiaries	31	(1,069,318)	1,426,523
Acquisition of additional shareholding in subsidiaries from minority shareholders		(468,949)	(3,428,749)
Amounts (advanced to) repaid by associates		(130,537)	19,056,093
Proceeds from disposal of property, plant and equipment		5,760,544	10,619,577
Dividend received from an associate		1,980,378	–
Interest received		1,408,333	1,437,509
Proceeds from disposal of investments in securities		1,323,775	3,151,215
Dividends received from investments in securities		233,647	838,068
Amounts repaid by investee companies		69,246	460,622
Acquisition of investments in securities		–	(354,531)
Proceeds from disposal of associates		–	1,853,079
NET CASH USED IN INVESTING ACTIVITIES		(82,923,881)	(57,103,764)

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FINANCING			
Repayment of bank loans		(175,354,120)	(27,136,967)
Interest paid		(19,139,434)	(24,222,026)
Repayment of obligations under finance leases		(7,960,913)	(12,332,738)
Dividends paid to minority shareholders of subsidiaries		(4,607,903)	(9,215,735)
Repayment of other loans		(985,306)	(810,697)
Bank loans raised		180,525,899	45,278,006
Capital contributed by minority shareholders of subsidiaries		4,713,669	3,132,467
Other loans raised		1,081,940	–
Amounts advanced from (repaid to) associates		861,093	(843,590)
Proceeds from issue of shares		–	2,720
NET CASH USED IN FINANCING		(20,865,075)	(26,148,560)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		25,680,340	(29,733,985)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		30,457,964	60,813,027
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		58,789	(621,078)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		56,197,093	30,457,964
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS			
Bank balances and cash		81,253,479	54,061,121
Bank overdrafts		(25,056,386)	(23,603,157)
		56,197,093	30,457,964