

CONSOLIDATED CASH FLOW STATEMENT

(For the year ended 31st December, 2002)

| | 2002 HK\$'000 | 2001 HK\$'000 |
|---|------------------|------------------|
| Operating activities | | |
| Profit before taxation | 22,487 | 38,276 |
| Adjustments for: | | |
| Interest income | (11) | – |
| Interest expenses | 6,372 | 3,771 |
| Depreciation and amortisation | 15,182 | 13,850 |
| Operating cash flows before movements in working capital | 44,030 | 55,897 |
| Increase in inventories | (187) | (66) |
| Decrease (increase) in trade and other receivables | 8,900 | (15,817) |
| Decrease (increase) in amount due from a director | 153 | (153) |
| (Decrease) increase in trade and other payables | (14,720) | 2,013 |
| Net cash generated from operating activities | 38,176 | 41,874 |
| Investing activities | | |
| Interest received | 11 | – |
| Purchase of property, plant and equipment | (39,937) | (4,895) |
| Deposits paid on acquisition of property, plant and equipment | (7,333) | (2,904) |
| Net cash used in investing activities | (47,259) | (7,799) |
| Financing activities | | |
| Dividend paid | – | (13,000) |
| Interest paid | (6,372) | (3,771) |
| Proceeds from issue of shares | 36,720 | – |
| Expenses incurred in connection with the issue of shares | (12,723) | – |
| Borrowings raised from shareholders | 12,646 | 33,052 |
| Borrowing raised from an other loan | 18,692 | – |
| Repayment of construction payables | (3,907) | (2,384) |
| Repayment of bank loans | (19,593) | (1,086) |
| Repayment to a director | – | (45,703) |
| Net cash generated from (used in) financing activities | 25,463 | (32,892) |
| Net increase in cash and cash equivalents | 16,380 | 1,183 |
| Cash and cash equivalents at 1st January | 1,269 | 86 |
| Cash and cash equivalents at 31st December | 17,649 | 1,269 |
| Analysis of the balances of cash and cash equivalents | | |
| Bank balances and cash | 17,649 | 1,269 |