

Consolidated Cash Flow Statement

For the year ended 31 December 2002

	Note	2002 HK\$'000	As restated 2001 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		16,566	15,275
Adjustments for:			
Depreciation		9,626	6,146
Impairment of fixed assets		327	—
Amortisation of goodwill		74	74
Share of profit of an associated company		(44)	—
Interest expense		3,358	5,601
Interest income		(161)	(1,142)
Operating profit before working capital changes		29,746	25,954
Increase in trade and other receivables		(18,725)	(644)
(Increase)/decrease in inventories		(527)	977
Decrease in trade and other payables		(155)	(5,670)
Cash generated from operations		10,339	20,617
Interest paid		(3,358)	(5,601)
Income taxes paid		(942)	(3,323)
Net cash from operating activities		6,039	11,693
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of fixed assets		(2,911)	(25,884)
Purchase of a subsidiary	23(b)	—	(7,000)
Investment in an associated company		(40)	—
Interest received		161	1,142
Net cash used in investing activities		(2,790)	(31,742)

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For the year ended 31 December 2002

	Note	2002 HK\$'000	As restated 2001 HK\$'000
CASH FLOWS FROM FINANCING ACTIVITIES	23(a)		
Proceeds from issuance of share capital		—	40,000
Share issue expenses		—	(8,355)
New loans payable		4,245	11,813
Repayment of bank loans		(11,811)	(889)
Increase/(decrease) in trust receipt loans		558	(26,386)
Payment of finance lease liabilities		(220)	(220)
Dividends paid		—	(5,000)
Dividends paid to former minority shareholders of a subsidiary		—	(2,099)
Net cash (used in)/from financing activities		(7,228)	8,864
NET DECREASE IN CASH AND CASH EQUIVALENTS		(3,979)	(11,185)
CASH AND CASH EQUIVALENTS AT 1 JANUARY		19,508	30,805
Effect of foreign exchange rate changes		(19)	(112)
CASH AND CASH EQUIVALENTS AT 31 DECEMBER		15,510	19,508
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS			
Pledge fixed deposits		—	3,700
Bank balances and cash		15,510	15,808
		15,510	19,508