



Consolidated Cash Flow Statement

For the year ended 31st December, 2003

	2003 HK\$'000	2002 HK\$'000 (Restated)
OPERATING ACTIVITIES		
Profit from operations	65,930	55,954
Adjustments for:		
Interest income	(1,202)	(2,038)
Dividend income	–	(1)
Release of negative goodwill to income	(3,502)	(2,979)
Depreciation and amortisation	34,608	33,390
Loss on disposal of investments in securities	–	2
Loss (gain) on disposal of property, plant and equipment	86	(214)
Retirement benefit obligations	730	283
Operating cash flows before movements in working capital	96,650	84,397
Increase in inventories	(16,481)	(11,516)
Increase in trade receivables	(37,371)	(50,605)
Decrease in deposits, prepayments and other receivables	4,821	2,533
Increase in trade payables	39,422	54,122
(Decrease) increase in accrued charges and other payables	(552)	44,448
Decrease in an amount due to a related company	–	(6,301)
Net cash generated from operations	86,489	117,078
Income Tax paid	(2,563)	(1,145)
Income Tax refunded	77	330
Interest paid	(3,371)	(8,223)
Finance charge on obligations under finance leases	(76)	(175)
NET CASH FROM OPERATING ACTIVITIES	80,556	107,865
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(75,102)	(11,640)
Reimbursement of payment for properties under development from related companies	21,001	14,724
Reimbursement of guaranteed rental income from a related company	2,855	–
Interest received	1,202	2,038
Proceeds from disposal of property, plant and equipment	90	892
Payments for properties under development	–	(72,971)
Proceeds from disposal of investments in securities	–	136
Dividend received from investments in securities	–	1
NET CASH USED IN INVESTING ACTIVITIES	(49,954)	(66,820)

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For the year ended 31st December, 2003



	2003 HK\$'000	2002 HK\$'000 (Restated)
FINANCING ACTIVITIES		
Repayment of import loans	(54,127)	(93,536)
Redemption of preference shares	(50,000)	–
Repayment of bank loans	(26,050)	(36,523)
Dividends paid	(24,756)	(14,222)
Repayment of obligations under finance leases	(1,791)	(1,863)
Share issue expenses	(370)	–
New bank loans raised	70,000	48,692
New import loans raised	43,071	88,633
Proceed from shares issued upon exercise of share options	320	–
Advance from a minority shareholder	–	13,648
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NET CASH (USED IN) FROM FINANCING ACTIVITIES	(43,703)	4,829
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NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(13,101)	45,874
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CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	182,129	136,255
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CASH AND CASH EQUIVALENTS AT END OF THE YEAR , represented by bank balances and cash	169,028	182,129
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