

# Consolidated Cash Flow Statement

For the year ended 31 December, 2003

	Note	2003 HK\$'000	2002 HK\$'000
<b>OPERATING ACTIVITIES</b>			
Profit from operations		27,978	30,391
Adjustments for:			
Dividend income		(37)	(32)
Interest income		(416)	(127)
Amortisation of goodwill		335	114
Depreciation		8,306	5,420
Unrealised holding (gains) losses on listed trading securities		(322)	765
Operating cash flows before movements in working capital		35,844	36,531
Increase in inventories		(6,333)	(1,050)
Decrease (increase) in trade and other receivables		3,981	(10,063)
Decrease (increase) in bills receivable		1,539	(717)
Increase in amounts due from related parties		–	(186)
(Decrease) increase in trade and other payables		(5,033)	2,831
Decrease in amounts due to related parties		–	(1,859)
Cash generated from operations		29,998	25,487
Hong Kong Profits Tax paid		(519)	(945)
Taxation in other jurisdictions paid		(1,235)	–
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>28,244</b>	<b>24,542</b>
<b>INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(22,527)	(19,153)
Repayments from related parties		–	6,823
Proceeds from disposal of investment property		–	2,210
Acquisition of a subsidiary	24	–	1,823
Interest received		416	127
Dividends received		37	32
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(22,074)</b>	<b>(8,138)</b>
<b>FINANCING ACTIVITIES</b>			
Dividend paid		(4,400)	(14,979)
Repayment of bank loan		(2,667)	(222)
Interest paid		(265)	(24)
New bank loan raised		–	8,000
Net proceeds from issue of shares on placing and public offer		41,552	–
<b>NET CASH FROM (USED IN) FINANCING ACTIVITIES</b>		<b>34,220</b>	<b>(7,225)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>40,390</b>	<b>9,179</b>
<b>CASH AND CASH EQUIVALENTS BROUGHT FORWARD</b>		<b>21,734</b>	<b>12,555</b>
<b>CASH AND CASH EQUIVALENTS CARRIED FORWARD,</b> represented by bank balances and cash		<b>62,124</b>	<b>21,734</b>