

Consolidated Cash Flow Statement

For the year ended 31st December, 2003

Note	2003 HK\$'000	2002 <i>HK\$'000</i>
OPERATING ACTIVITIES		
Profit before taxation	57,174	41,637
Adjustments for:		
Share of profit of associates	(7,529)	(6,541)
Interest income	(881)	(1,093)
Interest expenses	4	8
Depreciation and amortisation of property, plant and equipment	4,732	3,706
Loss on disposal of property, plant and equipment	9	1,701
Loss on dissolution of a subsidiary	5	–
Allowance for bad and doubtful debts	3,410	3,406
Unrealised holding gain on other investments	(457)	(89)
Gain on disposal of other investments	(2,480)	(160)
Dividend income from other investments, listed	(400)	–
Operating cash flows before movements in working capital	53,587	42,575
Decrease (increase) in inventories	313	(8,708)
Decrease (increase) in trade and other receivables	877	(17,044)
(Increase) decrease in amounts due from associates	(17,356)	2,368
Increase in trade and other payables	4,961	15,760
(Decrease) increase in amount due to a related company	(29)	8
(Decrease) increase in amount due to an associate	(9,121)	9,121
Cash generated from operations	33,232	44,080
Interest received	881	1,093
Interest paid	(4)	(8)
Hong Kong Profits Tax paid	(1,880)	(3,223)
The PRC income tax paid	(1,442)	(1,431)
NET CASH FROM OPERATING ACTIVITIES	30,787	40,511
INVESTING ACTIVITIES		
Purchase of investments in securities	(59,120)	(10,195)
Purchase of property, plant and equipment	(11,824)	(7,767)
Dissolution of a subsidiary (net of cash and cash equivalents disposal)	(90)	–
Proceeds from disposal of other investments	62,396	5,169
Dividend received from an associate	900	–
Dividends received from other investments, listed	400	–
Repayment from associates	200	–
Proceeds from disposal of property, plant and equipment	94	19
NET CASH USED IN INVESTING ACTIVITIES	(7,044)	(12,774)

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For the year ended 31st December, 2003

	2003	2002
	HK\$'000	<i>HK\$'000</i>
FINANCING ACTIVITIES		
Dividends paid	(20,000)	(45,000)
Net proceeds from issue of shares to the public	-	29,242
NET CASH USED IN FINANCING ACTIVITIES	(20,000)	(15,758)
NET INCREASE IN CASH AND CASH EQUIVALENTS	3,743	11,979
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	67,992	56,018
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	(69)	(5)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank balances and cash	71,666	67,992