

Consolidated Cash Flow Statement

For the year ended 31st December, 2002

	2002 HK\$'000	2001 HK\$'000
Operating activities		
Profit from operations	31,593	32,921
Adjustments for:		
Interest income	(118)	(387)
Depreciation and amortisation	5,616	5,503
Loss (gain) on disposal of property, plant and equipment	2	(20)
Revaluation decrease on leasehold land and buildings	334	183
Operating cash flows before working capital changes	37,427	38,200
(Increase) decrease in inventories	(2,843)	4,559
Increase in debtors, deposits and prepayments	(2,341)	(6,187)
Decrease in amounts due from related companies	–	6,070
Decrease in creditors and accruals	(1,880)	(3,539)
Cash generated from operations	30,363	39,103
Interest paid	(2,172)	(2,178)
Interest on obligations under finance leases paid	–	(80)
Hong Kong Profits Tax paid	(5,380)	(2,060)
Hong Kong Profits Tax refunded	–	65
Net cash from operating activities	22,811	34,850
Investing activities		
Interest received	118	387
Purchases of property, plant and equipment	(1,506)	(2,955)
Proceeds from disposal of property, plant and equipment	84	34
Repayment from shareholders	–	18,478
Repayment from (advance to) former ultimate holding company	40,715	(40,715)
Net cash from (used in) investing activities	39,411	(24,771)
Financing activities		
Proceeds from issue of shares	30,000	–
Share issue expenses	(6,370)	–
New bank loans raised	8,219	18,950
Repayment of bank loans	(18,430)	(19,781)
Repayment of obligations under finance leases	–	(217)
Repayment of advances from shareholders	–	(7,431)
Dividend paid	(55,000)	(5,000)
Net cash used in financing activities	(41,581)	(13,479)
Net increase (decrease) in cash and cash equivalents	20,641	(3,400)
Cash and cash equivalents at beginning of the year	(950)	2,450
Cash and cash equivalents at end of the year	19,691	(950)
Analysis of the balances of cash and cash equivalents		
Bank balances and cash	20,350	1,892
Bank overdrafts	(659)	(2,842)
	19,691	(950)