

CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 December 2002

	<i>Notes</i>	2002 HK\$'000	2001 <i>HK\$'000</i> (Restated)
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax		57,764	129,006
Adjustments for:			
Depreciation	7	119,896	98,871
Foreign exchange differences		17	(15)
Loss on disposal of fixed assets	7	655	2,774
Interest income	6	(438)	(317)
Interest expense	8	11,089	18,557
Write-back for obsolete inventories	7	(1,330)	(4,000)
Operating profit before working capital changes		187,653	244,876
Increase in rental and utility deposits		(254)	(305)
Decrease in prepaid rental, long term portion		175	175
Decrease/(increase) in inventories		(16,829)	44,089
Decrease/(increase) in trade receivables		(19,516)	3,382
Increase in prepayments, deposits and other receivables		(5,192)	(14,775)
Decrease in amount due from a director		—	358
Increase in amount due from an associate		(49)	(187)
Decrease in amount due from related companies		—	118
Increase/(decrease) in trade payables		2,374	(62,850)
Decrease in other payables and accruals		(710)	(2,395)
Movements in balances with subsidiaries not consolidated		—	727
Decrease in investments in subsidiaries not consolidated		—	253
Cash generated from operations		147,652	213,466
Interest received		438	317
Interest paid		(7,536)	(6,766)
Interest element on finance lease rental payments		(7,423)	(11,791)
Hong Kong profits tax paid		(5,464)	(15,488)
PRC taxes paid, net		(4,671)	(8,167)
Dividends paid	13	(98,000)	(30,000)
Net cash inflow from operating activities — page 28		24,996	141,571

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Net cash inflow from operating activities — page 27		24,996	141,571
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of fixed assets		(170,066)	(144,975)
Proceeds from disposal of fixed assets		91	2,776
Net cash outflow from investing activities		(169,975)	(142,199)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital	26	220,800	—
Share issue expenses		(23,057)	—
New bank loans		81,226	101,300
Repayment of bank loans		(19,010)	(15,557)
Increase/(decrease) in trust receipt loans		(17,756)	9,186
Capital element of finance lease rental payments		(81,257)	(70,875)
Net cash inflow from financing activities		160,946	24,054
NET INCREASE IN CASH AND CASH EQUIVALENTS		15,967	23,426
Cash and cash equivalents at beginning of year		58,421	34,995
CASH AND CASH EQUIVALENTS AT END OF YEAR		74,388	58,421
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	19	54,329	58,463
Short term deposits	19	20,059	—
Bank overdrafts, secured	23	—	(42)
		74,388	58,421