

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 30 June 2003

	2003 HK\$'000	2002 HK\$'000 (Restated)
Operating activities		
Profit before taxation	158,364	78,619
Adjustments for:		
Interest income	(655)	(722)
Interest expenses	7,051	15,095
Depreciation and amortisation	20,126	17,316
Loss on disposal of property, plant and equipment	440	1,555
Gain on disposal of investment in securities	(3,108)	(2,267)
Allowance on advance to a jointly controlled entity	955	–
Gain on deemed disposal of interest in a subsidiary	–	(10,400)
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Operating cash flows before movement in working capital	183,173	99,196
Decrease in amount due to an associate	–	(140)
Decrease (increase) in inventories	11,887	(21,642)
Decrease in debtors, deposits and prepayments	8,319	349
Increase in bills receivable	(2,716)	(886)
(Decrease) increase in creditors and accrued charges	(17,189)	21,099
Increase in retirement benefit obligations	407	262
Effect of foreign exchange rate changes	2,251	2,430
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Cash generated from operations	186,132	100,668
Interest income	655	722
Interest paid	(6,799)	(14,882)
Finance lease charges paid	(265)	(221)
Hong Kong Profits Tax paid	(7,698)	(6,804)
Taxation paid in other jurisdictions	(2,407)	(1,780)
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Net cash generated from operating activities	169,618	77,703

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For the year ended 30 June 2003

	2003 HK\$'000	2002 HK\$'000 (Restated)
Investing activities		
Proceeds on disposal of property, plant and equipment	668	1,035
Purchase of property, plant and equipment	(51,361)	(16,129)
Advance to a jointly controlled entity	(1,084)	(682)
Proceeds on disposal of investment in securities	4,444	2,994
	<u>4,444</u>	<u>2,994</u>
Net cash used in investing activities	(47,333)	(12,782)
Financing activities		
Dividend paid to minority shareholders of a subsidiary	(1,800)	(450)
Net cash outflow in respect of trust receipts and import loans	(34,160)	(23,407)
Repayments of bank loans	(16,507)	(7,079)
Repayment of convertible loan notes	(15,893)	–
Repayments of other liabilities	(82)	(82)
Repayments of obligations under finance leases	(2,975)	(1,638)
Advance from a minority shareholder of a subsidiary	314	329
Repayments from a minority shareholder of a subsidiary	700	–
(Repayments) advances from a minority shareholder of a subsidiary	(415)	415
Issue of new ordinary shares in a subsidiary	–	4,604
	<u>–</u>	<u>4,604</u>
Net cash used in financing activities	(70,818)	(27,308)
Net increase in cash and cash equivalents	51,467	37,613
Cash and cash equivalents at the beginning of the year	45,566	7,953
	<u>45,566</u>	<u>7,953</u>
Cash and cash equivalents at the end of the year	97,033	45,566
	<u>97,033</u>	<u>45,566</u>
Analysis of balances of cash and cash equivalents		
Bank balances and cash	100,735	70,551
Bank overdrafts	(3,702)	(24,985)
	<u>(3,702)</u>	<u>(24,985)</u>
	97,033	45,566
	<u>97,033</u>	<u>45,566</u>