

pro forma consolidated cash flow statement

Year ended 31 March 2005

	Notes	2005 HK\$'000	2004 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		56,569	51,824
Adjustments for:			
Interest income	6	(245)	(12)
Share of profits and losses of associates		—	(1,022)
Finance costs	8	201	28
Write-back of provision against slow-moving inventories, net	7	(342)	(6,055)
Depreciation	7	4,970	5,095
Loss on disposal/write-offs of fixed assets	7	414	652
Amortisation of trademarks	7	389	258
Bad debts written off	7	1	68
Trademarks written off	7	106	—
Loss on disposal of an associate	7	—	1,578
Operating profit before working capital changes		62,063	52,414
Increase in rental, utility and other non-current deposits		(2,658)	(591)
(Increase)/decrease in inventories		(24,496)	24,525
Increase in trade and bills receivables		(3,658)	(1,843)
(Increase)/decrease in prepayments, deposits and other receivables		2,894	(1,872)
Decrease in amounts due to directors, net		—	(15,059)
Advance to associates		—	(4,866)
Decrease in amounts due from related companies		—	1,254
Increase/(decrease) in trade and bills payables		4,317	(3,548)
Increase in accruals and other payables		1,825	4,541
Decrease in amount due to a related company		(108)	(13,821)
Cash generated from operations		40,179	41,134
Interest received	6	245	12
Interest paid	8	(199)	(23)
Interest element on finance lease rental payments	8	(2)	(5)
Income tax paid		(10,832)	(8,070)
Net cash inflow from operating activities		29,391	33,048

T.U.F Jeanssmith

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Year ended 31 March 2005

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CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of fixed assets	14	(24,620)	(16,012)
Proceeds from disposal of fixed assets		123	121
Additions to trademarks	15	(784)	(817)
Increase in deposits paid for the acquisition of non-current assets		(1,226)	(111)
Increase in time deposits with maturity of over three months		—	(3,900)
Acquisition of a subsidiary	28(b)	(2,344)	—
Net cash outflow from investing activities		(28,851)	(20,719)
CASH FLOWS FROM FINANCING ACTIVITIES			
Issue of share capital of the newly incorporated subsidiaries		2	—
New trust receipt loans		887	—
New bank loan		8,000	3,000
Repayment of bank loans		(4,959)	(1,055)
Dividend paid	28(a)	(20,208)	—
Initial public offering expenses paid		(5,260)	—
Capital element of finance lease payments		(42)	(59)
Net cash inflow/(outflow) from financing activities		(21,580)	1,886
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
		(21,040)	14,215
Cash and cash equivalents at beginning of year		46,725	32,510
Effect of foreign exchange rate changes, net		347	—
CASH AND CASH EQUIVALENTS AT END OF YEAR		26,032	46,725
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	21	26,518	46,776
Bank overdrafts	24	(486)	(51)
		26,032	46,725