

Consolidated Cash Flow Statement

Period from 1 October 2001 to 31 December 2002

	Period from 1 October 2001 to 31 December 2002	Period from 1 April 2000 to 30 September 2001
<i>Notes</i>	HK\$'000	<i>HK\$'000 (Restated)</i>
Cash flows from operating activities		
Loss before tax	(27,875)	(12,606)
Adjustments for:		
Finance costs	9 3,963	3,264
Share of profits and losses of associates	–	(1,304)
Non-operating income	10 –	(4,031)
Interest income	8 (145)	(486)
Depreciation	8 7,600	12,383
Write back of provision for impairment in value of long term investment	8 –	(675)
Write back of provision for impairment in value of associates	8 –	(1,902)
Loss on disposal of fixed assets	8 448	1,884
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Operating loss before working capital changes	(16,009)	(3,473)
Increase in inventories	(14,270)	(17,899)
Decrease/(increase) in trade receivables	574	(860)
Decrease/(increase) in deposits, prepayments and other receivables	(1,199)	4,496
Increase/(decrease) in trade payables and accrued purchases	(5,469)	9,475
Increase/(decrease) in other payables and accruals	2,803	(20,413)
Increase in bills payable	1,113	347
Increase in amounts due to fellow subsidiaries, net	2,519	379
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Cash generated from operations	(29,938)	(27,948)
Interest received	145	486
Bank charges	(391)	(418)
Hong Kong profits tax refunded	–	50
Overseas taxes paid	(57)	(118)
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Net cash outflow from operating activities	(30,241)	(27,948)

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Period from 1 October 2001 to 31 December 2002

	Period from 1 October 2001 to 31 December 2002 HK\$'000	Period from 1 April 2000 to 30 September 2001 HK\$'000 (Restated)
<i>Note</i>		
Cash flows from investing activities		
Purchases of fixed assets	(6,773)	(10,548)
Proceeds from disposal of fixed assets	152	434
Increase/(decrease) in amounts due to associates	114	(22)
Acquisition of additional interests in a subsidiary	–	(2,007)
Proceeds from disposal of associates	3,206	–
Increase in pledged time deposits	(52)	(668)
	<u>(3,353)</u>	<u>(12,811)</u>
Net cash outflow from investing activities		
Cash flows from financing activities		
Repayment of bank loans	(428)	(404)
Increase in trust receipt loans	2,360	6,260
New other loans	–	10,000
Repayment of other loans	–	(560)
Advance from holding company	36,000	18,000
Capital element of finance lease rental payments	–	(107)
Interest paid	(2,923)	(2,843)
Interest element on finance lease rental payments	–	(3)
	<u>35,009</u>	<u>30,343</u>
Net cash inflow from financing activities		
Net increase/(decrease) in cash and cash equivalents	1,415	(10,416)
Cash and cash equivalents at beginning of period	11,597	21,498
Effect of foreign exchange rate changes, net	(224)	515
	<u>12,788</u>	<u>11,597</u>
Cash and cash equivalents at end of period		
Analysis of balances of cash and cash equivalents		
Cash and bank balances	13,791	11,604
Bank overdrafts, unsecured	(1,003)	(7)
	<u>12,788</u>	<u>11,597</u>