

## Consolidated Cash Flow Statement

For the period from 1 April 2002 to 31 December 2002

	<i>Notes</i>	<b>Nine months ended 31 December 2002 HK\$'000</b>	Year ended 31 March 2002 HK\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		<b>28,178</b>	35,006
Adjustments for:			
Interest expenses	7	<b>3,872</b>	5,624
Interest income	6	<b>(278)</b>	(766)
Depreciation	6	<b>9,678</b>	10,776
Amortisation of goodwill	6	<b>811</b>	764
Impairment of goodwill	6	<b>–</b>	500
Loss/(gain) on disposal of fixed assets	6	<b>(3)</b>	453
Loss on partial disposal of a subsidiary	6	<b>148</b>	–
Operating profit before working capital changes		<b>42,406</b>	52,357
Increase in inventories		<b>(14,267)</b>	(19,487)
Decrease/(increase) in trade and bills receivable		<b>(14,294)</b>	17,779
Increase in deposits, prepayments and other receivables		<b>(7,251)</b>	(24,474)
Increase/(decrease) in trade and bills payable		<b>(4,094)</b>	13,424
Increase/(decrease) in other payables and accruals		<b>(2,841)</b>	4,470
Effect on foreign exchange rate changes, net		<b>131</b>	(145)
Cash generated/(used) in operations		<b>(210)</b>	43,924
Interest received		<b>278</b>	766
Tax paid in the PRC		<b>(10)</b>	(123)
Hong Kong profits tax paid		<b>–</b>	(7,477)
Net cash inflow from operating activities		<b>58</b>	37,090
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchases of fixed assets		<b>(9,754)</b>	(18,224)
Proceeds from disposal of fixed assets		<b>162</b>	686
Acquisition of additional equity interest in a subsidiary		<b>–</b>	(500)
Acquisition of a subsidiary	<i>29(b)</i>	<b>(2,550)</b>	(7,650)
Decrease in pledged time deposits		<b>–</b>	5,800
Net cash outflow from investing activities		<b>(12,142)</b>	(19,888)

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For the period from 1 April 2002 to 31 December 2002

	<b>Nine months ended 31 December 2002 HK\$'000</b>	Year ended 31 March 2002 HK\$'000
<i>Note</i>		
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of share capital, net	–	1,364
New bank loans	47,910	41,583
Repayment of bank loans	(32,222)	(15,888)
Loan from a related party	2,500	–
Interest paid	(3,810)	(5,435)
Dividends paid	(43,770)	(21,154)
Interest element of finance lease and hire purchase contract rental payments	(62)	(189)
Capital element of finance lease and hire purchase contract rental payments	(944)	(2,441)
Capital contribution from minority interest	1,913	–
<b>Net cash outflow from financing activities</b>	<b>(28,485)</b>	<b>(2,160)</b>
<b>INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		
	<b>(40,569)</b>	15,042
Cash and cash equivalents at beginning of period/year	78,997	63,955
Effect of foreign exchange rate changes, net	108	–
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD/YEAR</b>		
	<b>38,536</b>	78,997
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	44,715	84,590
Bank overdrafts	(6,179)	(5,593)
	<b>38,536</b>	78,997