

Consolidated Cash Flow Statement

For the year ended 28 February 2003

	2003 HK\$'000	2002 HK\$'000
OPERATING ACTIVITIES		
Profit from operations	83,062	114,473
Adjustment for:		
Investment income	(4,835)	(5,147)
Depreciation	90,199	85,140
Loss on disposal of property, plant and equipment	440	2,824
Impairment loss on property, plant and equipment	–	12,000
Operating cash flow before movement in working capital	168,866	209,290
Increase in inventories	(58,590)	(42,440)
Decrease (increase) in trade receivables	531	(1,129)
Increase in other receivables, prepayments and deposits	(6,765)	(9,189)
Decrease (increase) in amount due from a fellow subsidiary	5,381	(2,742)
Increase in trade payables	68,968	32,469
Increase in other payables and accrued charges	9,799	19,392
Increase (decrease) in amounts due to fellow subsidiaries	4,880	(864)
Increase in amount due to ultimate holding company	4,281	2,686
Cash generated from operations	197,351	207,473
Hong Kong Profits Tax paid	(26,496)	(4,263)
People's Republic of China income taxes paid	(10,982)	(16,216)
Interest paid	(23)	(125)
Interest received	4,342	4,654
NET CASH GENERATED FROM OPERATING ACTIVITIES	164,192	191,523
INVESTING ACTIVITIES		
Dividends received from listed investment securities	493	493
Purchase of property, plant and equipment	(100,707)	(78,286)
Proceeds from disposal of property, plant and equipment	17	76
NET CASH USED IN INVESTING ACTIVITIES	(100,197)	(77,717)
FINANCING ACTIVITIES		
Dividends paid	(24,689)	(38,986)
Dividends paid to minority shareholder	(2,370)	(2,142)
Repayment of obligations under a finance lease	(51)	–
Contributions from a minority shareholder	18,151	–
NET CASH USED IN FINANCING ACTIVITIES	(8,959)	(41,128)
NET INCREASE IN CASH AND CASH EQUIVALENTS	55,036	72,678
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	354,854	280,691
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	(459)	1,485
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	409,431	354,854
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	409,431	354,854