

**CONSOLIDATED CASH FLOW STATEMENT**

For the year ended March 31, 2003

	<b>2003</b>	2002
	<i>HK\$'000</i>	<i>HK\$'000</i>
Operating activities		
Profit before taxation	<b>4,927</b>	3,127
Adjustments for:		
Interest income	<b>(176)</b>	(326)
Interest on bank and other borrowings	—	3
Allowance for inventories	<b>1,211</b>	—
Depreciation	<b>2,985</b>	3,140
Loss on disposal of property, plant and equipment	<b>44</b>	102
Operating cash flows before movements in working capital	<b>8,991</b>	6,046
(Increase) decrease in inventories	<b>(4,317)</b>	18,926
Decrease (increase) in trade and other receivable	<b>15,459</b>	(4,136)
Decrease in trade and other payables	<b>(14,640)</b>	(4,892)
Cash generated from operating activities	<b>5,493</b>	15,944
Hong Kong Profits Tax paid	—	(343)
Net cash generated from operating activities	<b>5,493</b>	15,601
Investing activities		
Interest received	<b>176</b>	326
Purchase of property, plant and equipment	<b>(866)</b>	(2,196)
Proceeds from disposal of property, plant and equipment	<b>34</b>	34
Net cash used in investing activities	<b>(656)</b>	(1,836)
Financing activities		
Dividend paid	<b>(1,670)</b>	—
Interest paid on bank and other borrowings	—	(3)
Payment for repurchase of shares	—	(2,478)
New trust receipts and import loans raised	—	4,852
Repayment of trust receipts and import loans	—	(4,852)
Net cash used in financing activities	<b>(1,670)</b>	(2,481)
Net increase in cash and cash equivalents	<b>3,167</b>	11,284
Cash and cash equivalents at April 1	<b>32,504</b>	21,220
Cash and cash equivalents at March 31	<b>35,671</b>	32,504
Analysis of the balances of cash and cash equivalents		
Bank balances and cash	<b>35,671</b>	32,504