

Consolidated Cash Flow Statement

For the year ended 31st March 2003

	2003 HK\$'000	2002 HK\$'000
OPERATING ACTIVITIES		
Profit from operations	16,753	104,335
Adjustments for:		
Interest income	(218)	(1,794)
Depreciation and amortisation	15,792	24,153
Bad debts written off	8,559	4,158
Loss (gain) on disposal of property, plant and equipment	391	(151)
Provision for retirement benefit obligations	110	—
Surplus arising on revaluation of property, plant and equipment	—	(15)
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Operating cash flows before movements in working capital	41,387	130,686
(Increase) decrease in inventories	(5,056)	22,964
Increase in trade and other receivables	(15,956)	(2,624)
Decrease (increase) in bills receivable	1,113	(1,862)
Increase in amounts due from related companies	(431)	(931)
Increase (decrease) in trade and other payables	13,666	(6,926)
(Decrease) increase in bills payable	(658)	658
Increase (decrease) in amounts due to related companies	57,254	(4,610)
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Cash generated from operations	91,319	137,355
Interest paid	(212)	(944)
Hong Kong Profits Tax paid	(190)	(2,883)
Overseas taxation paid	—	(172)
Overseas taxation refunded	—	31
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NET CASH FROM OPERATING ACTIVITIES	90,917	133,387

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	<i>Note</i>	2003 HK\$'000	2002 HK\$'000
INVESTING ACTIVITIES			
Disposal and partial disposal of interests in subsidiaries (net of cash and cash equivalents disposed of)	23	84,321	(18,650)
Interest received		218	1,794
Proceeds from disposal of property, plant and equipment		174	852
Increase in pledged bank deposit		(7,819)	—
Purchase of property, plant and equipment		(6,676)	(40,016)
NET CASH FROM (USED IN) INVESTING ACTIVITIES		70,218	(56,020)
FINANCING ACTIVITIES			
Dividends paid		(193,875)	(107,250)
Repayment of bank borrowings		(4,649)	(3,792)
Issue of shares		37,950	—
Expenses incurred in connection with issue of shares		(656)	—
Bank borrowings raised		—	4,649
NET CASH USED IN FINANCING ACTIVITIES		(161,230)	(106,393)
NET DECREASE IN CASH AND CASH EQUIVALENTS		(95)	(29,026)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		29,357	58,383
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		29,262	29,357
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and cash equivalents as previously reported			24,708
Effect of reclassification of trust receipt and import loans			4,649
Cash and cash equivalents as restated			29,357
Being:			
Bank balances and cash		29,296	29,412
Bank overdraft		(34)	(55)
		29,262	29,357