

Consolidated Cash Flow Statement

For the year ended 31 March 2003

	2003 <i>HK\$'000</i>	2002 <i>HK\$'000</i> (As restated)
OPERATING ACTIVITIES		
Profit from operations	128,695	86,847
Adjustments for:		
Interest income	(536)	(1,704)
Depreciation and amortisation	10,786	10,543
Loss on disposal of property, plant and equipment	3,181	37
Bad debts written off	925	4,158
Listing expenses	–	4,919
Deficit arising on revaluation of property, plant and equipment	1,962	773
Operating cash flows before movements in working capital	145,013	105,573
(Increase) decrease in inventories	(16,374)	4,590
Increase in trade and other receivables	(42,425)	(17,711)
Increase in bills receivable	(10,972)	(1,811)
Increase in defined benefit assets	(211)	(212)
Increase in amount due from a related company	(77)	–
Increase (decrease) in trade and other payables	21,263	(12,453)
(Decrease) increase in bills payable	(1,133)	1,282
Increase (decrease) in amounts due to related companies	315	(11,077)
Cash generated from operations	95,399	68,181
Interest paid	(396)	(934)
Hong Kong Profits Tax paid	(6,110)	(6,499)
Hong Kong Profits Tax refunded	178	–
Overseas taxation paid	(36)	(13)
NET CASH FROM OPERATING ACTIVITIES	89,035	60,735
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(5,686)	(7,475)
Deposits paid on acquisition of property, plant and equipment	(5,094)	–
Interest received	536	1,704
Proceeds from disposal of property, plant and equipment	14	646
NET CASH USED IN INVESTING ACTIVITIES	(10,230)	(5,125)

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FINANCING ACTIVITIES		
Dividends paid	(24,750)	(91,250)
Repayment of bank borrowings	(4,936)	(2,340)
Expenses incurred in connection with listing of shares	–	(4,919)
New bank borrowings raised	–	4,936
NET CASH USED IN FINANCING ACTIVITIES	(29,686)	(93,573)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
	49,119	(37,963)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	16,332	54,295
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	65,451	16,332
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and cash equivalents as previously reported		13,892
Effect of reclassification of trust receipt and import loans		2,440
Cash and cash equivalents as restated		16,332
Being:		
Bank balances and cash	65,679	18,951
Bank overdrafts	(228)	(2,619)
	65,451	16,332