

Consolidated Cash Flow Statement

For the year ended 31 March 2003
(Expressed in Hong Kong dollars)

	Note	2003		2002	
		\$'000	\$'000	\$'000	\$'000
Operating activities					
Profit from ordinary activities before taxation		113,749		90,671	
Adjustments for:					
- Interest income		(1,349)		(1,554)	
- Interest expense		12,755		17,064	
- Interest element of finance lease rentals paid		1,081		1,791	
- Depreciation of fixed assets		27,764		26,572	
- Amortisation of permanent textile quota entitlements		3,989		3,989	
Operating profit before changes in working capital		157,989		138,533	
Increase in inventories		(22,060)		(13,713)	
Increase in trade receivables		(27,533)		(28,936)	
Decrease/(increase) in prepayments, deposits and other receivables		12,295		(5,328)	
Decrease in trade payables and bills payable		(2,189)		(20,011)	
Increase in accrued employee benefits		600		-	
Increase in accrued expenses and other payables		2,844		1,564	
Cash generated from operations		121,946		72,109	
Tax paid					
- Hong Kong Profits Tax paid		(7,198)		(5,323)	
Net cash from operating activities			114,748		66,786
Investing activities					
(Placement)/withdrawal of pledged bank deposits		(2,582)		9,306	
Capital expenditure		(32,712)		(14,765)	
Payment for purchase of investment securities		(300)		-	
Decrease in amount due from related company		63,797		189	
Interest received		1,349		1,554	
Net cash generated from/ (used in) investing activities			29,552		(3,716)

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	Note	2003		2002	
		\$'000	\$'000	\$'000	\$'000
Financing activities					
Capital element of finance lease rentals paid		(12,351)		(17,981)	
Net (decrease)/increase in trust receipt loans and export loans		(65,258)		41,071	
Proceeds from new term loans		7,459		36,027	
Repayment of term loans and mortgaged property loan		(30,650)		(1,348)	
Decrease in long term payable		-		(7,770)	
Decrease in amounts due to shareholders		(44,284)		(35,819)	
Interest element of finance lease rentals paid		(1,081)		(1,791)	
Interest paid		(12,755)		(17,064)	
Issue of shares for cash consideration		98,280		-	
Net proceeds from issue of convertible bonds		29,704		-	
Dividends paid		(18,924)		(24,000)	
Net cash used in financing activities			(49,860)		(28,675)
Net increase in cash and cash equivalents			94,440		34,395
Cash and cash equivalents at 1 April			(27,972)		(62,367)
Cash and cash equivalents at 31 March	22		66,468		(27,972)

The notes on pages 31 to 63 form part of these financial statements.