

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 March 2003

	2003 HK\$'000	2002 HK\$'000
Operating activities		
(Loss) profit from operations	(40,202)	48,385
Adjustments for:		
Exchange realignment	374	76
Provision for long service payments	19	41
Interest income	(466)	(592)
Amortisation of intangible asset	820	820
Loss (gain) on disposal of property, plant and equipment	121	(148)
Depreciation and amortisation of property, plant and equipment	7,796	6,165
Operating cash flows before movement in working capital	(31,538)	54,747
Decrease (increase) in inventories	19,025	(7,960)
(Increase) decrease in trade debtors	(3,767)	19
Decrease(increase) in other debtors, prepayments and deposits	9,487	(156)
Decrease in amount due from a related company	—	182
Decrease (increase) in amount due from associate	7	(1,372)
(Decrease) increase in trade creditors and bills payable	(7,847)	5,292
Increase (decrease) in other creditors and accrued charges	2,196	(1,501)
Cash (used in) generated from operations	(12,437)	49,251
Interest income	466	592
Hong Kong Profits Tax paid	(110)	(4,001)
Net cash (used in) generated from operating activities	(12,081)	45,842
Investing activities		
Purchase of property, plant and equipment	(26,125)	(11,705)
Proceeds from disposal of property, plant and equipment	13	182
Repayment from directors	—	90
Net cash used in investing activities	(26,112)	(11,433)
Financing		
Dividend paid	(10,874)	—
Bank interest paid	(717)	(695)
Finance charges on finance leases paid	—	(9)
Proceeds from issue of shares	—	44,354
Shares issue expenses	—	(14,927)
Trust receipt loans, net	6,687	(1,286)
Repayment of obligations under finance leases	—	(36)
Repayment to a director, net	—	(12,675)
Net cash (used in) generated from financing	(4,904)	14,726
Net (decrease) increase in cash and cash equivalents	(43,097)	49,135
Cash and cash equivalents at beginning of the year	60,048	10,913
Cash and cash equivalents at end of the year	16,951	60,048
Analysis of balances of cash and cash equivalents		
Bank balances and cash	16,951	60,048