

Consolidated Cash Flow Statement

For the year ended 31st March, 2003

	Note	2003 HK\$	2002 HK\$
Cash flows from operating activities			
Loss before taxation		(16,080,723)	(14,588,036)
Adjustments for:			
Interest income		(356,666)	(2,045,510)
Interest on bank borrowings		158,580	21,521
Interest on obligations under finance leases		5,465	—
Share of results of associates		523,067	7,057,780
Loss on disposal of property, plant and equipment		2,435,362	187,718
Depreciation and amortisation of property, plant and equipment		15,993,333	18,074,646
Deficit arising on revaluation of investment properties		1,050,000	750,000
Write-off of property, plant and equipment		7,288,490	5,028,015
Write-off of debtors and prepayments		4,230,991	—
Gain on partial disposal of a subsidiary		(3,148,827)	—
Impairment losses recognised in respect of interest in associates		982,785	—
Gain on winding up of subsidiaries		—	(1,000,000)
Impairment losses recognised in respect of goodwill		—	372,126
Operating cash flows before movements in working capital		13,081,857	13,858,260
Decrease in inventories		12,765,679	39,298,255
Decrease in debtors and prepayments		22,114,135	10,565,544
Decrease in creditors and accrued charges		(26,833,671)	(6,382,867)
Effect of exchange rate changes on inter-company balances		—	(8,387)
Net cash generated from operations		21,128,000	57,330,805
Interest paid on bank borrowings		(158,580)	(21,521)
Hong Kong Profits Tax paid		—	(9,550,481)
Net cash from operating activities		20,969,420	47,758,803
Cash flows from investing activities			
Purchases of property, plant and equipment		(8,796,650)	(9,033,836)
Investment in an associate		(10,000)	—
Interest received		356,666	2,045,510
Purchase of a subsidiary (net of cash and cash equivalents acquired)	26	—	2,204,806
Repayments from an associate		—	1,241,604
Proceeds from disposal of property, plant and equipment		—	1,008,062
Net cash used in investing activities		(8,449,984)	(2,533,854)

Consolidated Cash Flow Statement

For the year ended 31st March, 2003

	2003 HK\$	2002 HK\$
Cash flows from financing activities		
Dividends paid	(22,282,336)	(72,479,992)
Repayments of other borrowings	(2,000,000)	—
Repurchase of shares	(93,100)	—
Principal repayments for obligations under finance leases	(60,695)	—
Interest paid on obligations under finance leases	(5,465)	—
Net cash inflow from trust receipts and bank loans	<u>10,000,218</u>	<u>665,597</u>
Net cash used in financing activities	<u>(14,441,378)</u>	<u>(71,814,395)</u>
Net decrease in cash and cash equivalents	(1,921,942)	(26,589,446)
Cash and cash equivalents at beginning of the year	60,686,742	87,275,080
Effect on foreign exchange rate changes	<u>(18,772)</u>	<u>1,108</u>
Cash and cash equivalents at end of the year	<u><u>58,746,028</u></u>	<u><u>60,686,742</u></u>
Analysis of the balances of cash and cash equivalents		
Bank balances, deposits and cash	<u><u>58,746,028</u></u>	<u><u>60,686,742</u></u>