

## Consolidated Cash Flow Statement

Year ended 31 March 2003

	Notes	2003 HK\$	2002 HK\$ (Restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		<b>3,146,800</b>	2,674,068
Adjustments for:			
Finance costs	7	<b>1,937,366</b>	2,422,292
Share of profits and losses of associates		<b>133,252</b>	687,291
Interest income	6	<b>(7,634)</b>	(11,985)
Depreciation	6	<b>2,958,391</b>	4,222,390
Gain on disposal of fixed assets	6	–	(904,229)
Revaluation deficit of investment properties	6	<b>1,503,400</b>	580,000
Revaluation deficit of land and buildings	6	<b>165,677</b>	–
Provision for amounts due from associates	6	<b>2,200,000</b>	–
Provision for slow-moving and obsolete inventories	6	–	289,000
Write back of provision for slow-moving and obsolete inventories	6	–	(3,682,529)
Recovery of trade receivables	6	<b>(501,001)</b>	(694,523)
Recovery of amounts due from associates	6	<b>(1,000,000)</b>	(1,970,420)
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Operating profit before working capital changes		<b>10,536,251</b>	3,611,355
Increase in inventories		<b>(445,747)</b>	(2,041,902)
Increase in trade and bills receivables		<b>(1,455,988)</b>	(971,150)
Increase in other receivables		<b>(398,343)</b>	(1,163,121)
Decrease/(increase) in amount due from an associate		<b>3,000,000</b>	(3,000,000)
Increase/(decrease) in trade payables		<b>(556,467)</b>	1,549,796
Increase/(decrease) in other payables and accruals		<b>1,032,868</b>	(5,878,229)
Increase in amount due to an associate		–	524,575
Decrease in amounts due to directors		<b>(148,657)</b>	(2,687,508)
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Cash generated from/(used in) operations		<b>11,563,917</b>	(10,056,184)
Interest received		<b>7,634</b>	11,985
Taxes paid		<b>(756,824)</b>	(4,910)
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Net cash inflow/(outflow) from operating activities		<b>10,814,727</b>	(10,049,109)
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<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchases of fixed assets		<b>(5,436,998)</b>	(803,522)
Proceeds from disposal of fixed assets		–	1,479,396
Repayment of amount due from an associate		<b>1,000,000</b>	1,000,000
Repayment of amount due from a related company		–	2,989,000
Decrease in pledged time deposits		–	402,582
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Net cash inflow/(outflow) from investing activities		<b>(4,436,998)</b>	5,067,456
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## Consolidated Cash Flow Statement

Year ended 31 March 2003

	Notes	2003 HK\$	2002 HK\$ (Restated)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of share capital	26	–	8,926,800
Share issue expenses	26	–	(780,283)
New bank loans		<b>21,722,021</b>	6,000,000
Repayment of bank loans		<b>(24,388,052)</b>	(678,217)
Net addition/(repayment) of trust receipt loans		<b>3,331,058</b>	(22,521)
Advance from a related company		–	5,777,915
Repayment of amount due to a related company		<b>(5,346,183)</b>	(5,770,000)
Capital element of finance lease rental payments		<b>(397,497)</b>	(115,303)
Interest element of finance lease rental payments		<b>(59,789)</b>	(20,354)
Interest paid		<b>(1,877,577)</b>	(2,401,938)
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Net cash inflow/(outflow) from financing activities		<b>(7,016,019)</b>	10,916,099
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<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>			
		<b>(638,290)</b>	5,934,446
Cash and cash equivalents at beginning of year		<b>9,447,225</b>	3,512,779
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<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>			
		<b>8,808,935</b>	9,447,225
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<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances		<b>9,521,288</b>	9,553,627
Bank overdrafts	20	<b>(712,353)</b>	(106,402)
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		<b>8,808,935</b>	9,447,225
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