

Consolidated Cash Flow Statement

For the year ended 31 March 2003

ANNUAL REPORT 2003

	2003	2002
	HK\$'000	HK\$'000
Operating activities		
Profit from operations	13,749	26,141
Adjustments for:		
Interest income	(265)	(439)
Depreciation and amortisation	2,862	2,730
Impairment loss recognised in respect of investments in securities	2,000	–
Impairment loss recognised in respect of goodwill	471	–
(Gain) loss on disposal of property, plant and equipment	(80)	106
Gain on disposal of an investment property	–	(2,911)
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Operating cash flows before movements in working capital	18,737	25,627
Increase in inventories	(24,405)	(17,750)
Decrease (increase) in debtors, deposits and prepayments	7,092	(307)
Decrease (increase) in amounts due from related companies	278	(46)
Increase in creditors and accrued charges	12,948	10,938
(Decrease) increase in bills payable	(412)	20
Exchange adjustment	(11)	(16)
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Cash generated from operations	14,227	18,466
Interest received	265	439
Interest paid	(260)	(78)
Interest on finance leases	(7)	(13)
Hong Kong Profits Tax paid	(773)	(8,979)
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Net cash from operating activities	13,452	9,835
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Investing activities		
Purchase of property, plant and equipment	(4,033)	(3,289)
Purchase of investment properties	(50,601)	–
Purchase of investments in securities	(7,741)	(4,000)
Proceeds from disposal of property, plant and equipment	80	1,430
Advance to related companies	(4,420)	(1,631)
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Net cash used in investing activities	(66,715)	(7,490)
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	2003	2002
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Financing activities		
Proceeds from shares issued	–	40,200
Shares issue expenses	–	(8,970)
Dividend paid	(8,303)	(30,000)
Repayment of bank loans	(796)	(863)
Repayment of obligations under finance leases	(111)	(77)
New bank loan raised	33,740	–
Advances from directors	–	15,268
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Net cash from financing activities	24,530	15,558
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Net (decrease) increase in cash and cash equivalents	(28,733)	17,903
Cash and cash equivalents at beginning of the year	50,752	32,851
Effect of foreign exchange rate changes	11	(2)
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Cash and cash equivalents at end of the year	22,030	50,752
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Analysis of the balances of cash and cash equivalents		
Being:		
Bank balances and cash	22,030	51,504
Bank overdrafts	–	(752)
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	22,030	50,752
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