

Consolidated cash flow statement

for the year ended 31 March 2003

(Expressed in Hong Kong dollars)

Note	2003 \$'000	2002 \$'000
Operating activities		
Profit from ordinary activities before taxation	9,277	28,777
Adjustments for:		
– Finance costs	1,541	1,380
– Interest income	(399)	(654)
– Depreciation	1,927	1,783
– Loss/(gain) on disposal of fixed assets	430	(5)
– Deficit on revaluation of investment properties and leasehold land and buildings	1,605	3,001
Operating profit before changes in working capital	14,381	34,282
Decrease in inventories	240	962
Increase in accounts and bills receivable	(32,485)	(20,528)
Decrease/(increase) in prepayments, deposits and other receivables	893	(11,054)
(Increase)/decrease in amount due from a related company	(665)	4,316
(Decrease)/increase in accounts and bills payable	(7,268)	37,533
Increase/(decrease) in deposits, other payables and accrued charges	7,880	(11,106)
Increase/(decrease) in provision for warranties	34	(44)
Decrease in amount due to the then shareholder	–	(364)
Decrease in amounts due to related companies	–	(4,676)
Cash (used in)/generated from operations	(16,990)	29,321
Tax paid		
– Hong Kong Profits Tax paid	(3,770)	(6,153)
– PRC tax paid	(54)	(53)
	(3,824)	(6,206)

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for the year ended 31 March 2003
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	Note	2003 \$'000	2002 \$'000
Net cash (used in)/generated from operating activities		(20,814)	23,115
Investing activities			
Payment for purchase of fixed assets		(13,385)	(1,994)
Payment for additions to construction in progress		(2,366)	–
Proceeds from disposal of fixed assets		503	12
Payment for loan to an associate		(4,073)	–
Decrease/(increase) in pledged bank deposits		2,878	(4,843)
Interest received		412	674
Net cash used in investing activities		(16,031)	(6,151)
Financing activities			
Capital element of finance lease rentals paid		(351)	(205)
Proceeds from new bank loans		25,629	14,155
Repayment of bank loans		(12,431)	(410)
Net proceeds from issuance of new shares		–	31,528
Interest paid		(1,513)	(1,355)
Interest element of finance lease rentals paid		(28)	(25)
Dividends paid		(8,800)	(6,410)
Net cash generated from financing activities		2,506	37,278
Net (decrease)/increase in cash and cash equivalents		(34,339)	54,242
Cash and cash equivalents at 1 April		52,898	(1,344)
Cash and cash equivalents at 31 March	20	18,559	52,898

The notes on pages 33 to 71 form part of these financial statements.