

## Consolidated Cash Flow Statement

Year ended 31 March 2003

|  | <i>Notes</i> | <b>2003</b><br><i>HK\$'000</i> | 2002<br><i>HK\$'000</i> |
|--|--------------|--------------------------------|-------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                |              |                                |                         |
| Profit/(loss) before tax                                   |              | <b>(2,488)</b>                 | 26,867                  |
| Adjustments for:   |              |                                |                         |
| Interest element of hire purchase                          |              |                                |                         |
| contract rental payments                                   | 8            | <b>113</b>                     | 8                       |
| Interest income  | 7            | <b>(31)</b>                    | (49)                    |
| Depreciation   | 7            | <b>2,555</b>                   | 110                     |
| Provision against doubtful debts                           | 7            | <b>1,947</b>                   | 2,052                   |
| <hr/>  |              |                                |                         |
| Operating profit before working capital changes            |              | <b>2,096</b>                   | 28,988                  |
| Decrease in accounts receivable                            |              | <b>24,053</b>                  | 54,251                  |
| Decrease in gross amounts due from contract customers      |              | <b>29</b>                      | 752                     |
| Increase in prepayments, deposits and other receivables    |              | <b>(21,185)</b>                | (178)                   |
| Decrease in an amount due from a related company           |              | <b>—</b>                       | 13,910                  |
| Decrease in accounts payable                               |              | <b>(1,699)</b>                 | (31,894)                |
| Increase/(decrease) in gross amounts due                   |              |                                |                         |
| to contract customers                                      |              | <b>(3,135)</b>                 | 775                     |
| Increase/(decrease) in other payables and accruals         |              | <b>1,328</b>                   | (1,168)                 |
| <hr/>  |              |                                |                         |
| Cash generated from operations                             |              | <b>1,487</b>                   | 65,436                  |
| Interest element on hire purchase                          |              |                                |                         |
| contract rental payments                                   |              | <b>(113)</b>                   | (8)                     |
| Dividends paid   |              | <b>(13,440)</b>                | (20,000)                |
| Hong Kong profits tax paid                                 |              | <b>(16,767)</b>                | —                       |
| <hr/>  |              |                                |                         |
| <b>Net cash inflow/(outflow) from operating activities</b> |              | <b>(28,833)</b>                | 45,428                  |

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Year ended 31 March 2003

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|--|--------------|--------------------------------|--------------------------------|
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                  |              |                                |                                |
| Interest received  |              | 31                             | 49                             |
| Purchases of fixed assets                                    |              | <b>(7,661)</b>                 | (4)                            |
| Acquisition of subsidiaries                                  | 27(c)        | <b>(2,938)</b>                 | —                              |
| Purchases of long term investments                           |              | <b>(2,371)</b>                 | —                              |
| <b>Net cash inflow/(outflow) from investing activities</b>   |              | <b>(12,939)</b>                | 45                             |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                  |              |                                |                                |
| Proceeds from issue of share capital                         |              | <b>55,400</b>                  | —                              |
| Share issue expenses   |              | <b>(10,954)</b>                | —                              |
| Repayment to directors                                       |              | —                              | (31,735)                       |
| Capital element of hire purchase<br>contract rental payments |              | <b>(605)</b>                   | (26)                           |
| <b>Net cash inflow/(outflow) from financing activities</b>   |              | <b>43,841</b>                  | (31,761)                       |
| <b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>             |              | <b>2,069</b>                   | 13,712                         |
| Cash and cash equivalents at beginning of year               |              | <b>26,728</b>                  | 13,016                         |
| <b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>              |              | <b>28,797</b>                  | 26,728                         |
| <b>ANALYSIS OF BALANCES OF CASH AND<br/>CASH EQUIVALENTS</b> |              |                                |                                |
| Cash and bank balances                                       |              | <b>28,797</b>                  | 26,728                         |