



For the year ended 31 March 2003

Note	2003 HK\$'000	2002 HK\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit from operating activities	41,504	55,840
Adjustments for:		
Depreciation	20,271	12,971
Interest income	(565)	(882)
Deficits on revaluation of leasehold land and buildings	576	157
Deficits on revaluation of investment properties	240	70
Gain on disposals of subsidiaries	(10,326)	–
Gain on disposals of fixed assets	–	(22)
Write off of fixed assets	–	1,289
Bad debts written off	–	213
Unrealised loss on other investments	71	35
Amortisation of goodwill	6,651	–
Impairment loss on interest in a jointly-controlled entity	1,921	–
Operating profit before working capital changes	60,343	69,671
(Increase)/Decrease in inventories	(27,501)	5,314
Increase in trade receivables	(18,496)	(9,448)
Increase in prepayments, deposits and other receivables	(27,942)	(16,126)
Decrease/(Increase) in amounts due from jointly-controlled entities	5,720	(7,254)
Decrease/(Increase) in amounts due from associates	9,958	(9,958)
Decrease in trade and bills payables	(6,748)	(12,438)
Increase in accruals and other payables	785	2,167
Increase in trust receipt loans	15,336	6,764
Cash generated from operations	11,455	28,692
Interest paid	(9,242)	(10,604)
Interest element on finance lease rental payments	(716)	(313)
Taxes paid	(2,870)	(1,413)
Net cash (outflow)/inflow from operating activities	(1,373)	16,362
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of fixed assets	(39,878)	(27,382)
Proceeds from disposals of fixed assets	–	22
Deposit paid for establishment/acquisition of a subsidiary	(37,336)	(8,877)
Purchases of other investments	–	(1,015)
Purchases of investment securities	–	(60)
Increase in other receivable	(13,520)	–
Capital contribution to a jointly-controlled entity	(42,000)	(2,450)
Acquisition of associates	–	(33,499)
Acquisition of subsidiaries	30(a) (12,899)	(22,000)
Proceeds from disposals of subsidiaries	30(b) 12,000	–
Decrease/(Increase) in pledged bank deposits	52,880	(9,484)
Interest received	565	882
Net cash outflow from investing activities	(80,188)	(103,863)

## Consolidated Cash Flow Statement

For the year ended 31 March 2003

	2003 HK\$'000	2002 HK\$'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares	88,444	83,268
Expenses on issue of shares	(1,144)	(2,425)
Drawdown of bank loans	160,123	44,776
Repayment of bank loans	(74,431)	(32,865)
Cash inflow from sales and leaseback transactions	-	6,183
Capital element of finance lease rental payments	(6,447)	(2,336)
Dividend paid	-	(11,000)
Net cash inflow from financing activities	166,545	85,601
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>84,984</b>	<b>(1,900)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>20,264</b>	<b>22,164</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>105,248</b>	<b>20,264</b>
<b>ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS</b>		
Bank and cash balances	108,327	22,353
Bank overdrafts	(3,079)	(2,089)
	105,248	20,264