

Consolidated Cash Flow Statement

For the Year ended 30th June 2003

	2003 HK\$'000	2002 HK\$'000
Cash flow from operating activities		
Profit before taxation	12,495	38,207
Adjustments for:		
Dividend income	(900)	(431)
Interest income	(3,462)	(3,479)
Interest expenses	398	690
Amortisation of intangible assets	10	—
Provision for bad and doubtful debts	544	(33)
Depreciation of fixed assets	1,543	1,585
Loss on disposal of fixed assets	691	—
Operating profit before working capital changes	11,319	36,539
Increase in intangible assets	(600)	—
Increase in other assets	(250)	—
(Increase)/decrease in loans and advances	(23)	729
Decrease in accounts receivable	22,290	31,552
Decrease/(increase) in deposits, prepayments and other receivables	13,124	(3,343)
Decrease in amounts due from a related company	—	21,879
Decrease in accounts payable	(31,161)	(19,847)
(Decrease)/increase in other payables and accrued charges	(9,412)	12,273
Decrease in amounts due to a related company	—	(2,090)
Cash generated from operations	5,287	77,692
Hong Kong profits tax paid	(8)	(4,063)
Interests received	3,462	3,796
Net cash generated from operating activities	8,741	77,425
Investing activities		
Purchase of fixed assets	(609)	(3,467)
Sales of fixed assets	1	—
Acquisitions of non-trading investments	(9,350)	—
Dividends received	900	431
Net cash used in investing activities	(9,058)	(3,036)

Consolidated Cash Flow Statement (Continued)

For the Year ended 30th June 2003

	2003 HK\$'000	2002 HK\$'000
Financing activities		
Increase in share capital of subsidiaries by the then shareholder prior to reorganization	—	1,004
Proceeds from issue of shares	—	50,000
Share issue expenses	—	(13,041)
Dividends paid	(11,000)	(16,000)
Interests paid	(398)	(731)
Net cash (used in)/from financing activities	(11,398)	21,232
(Decrease)/increase in cash and cash equivalents	(11,715)	95,621
Cash and cash equivalents at 1st July	74,515	(21,106)
Cash and cash equivalents at 30th June	62,800	74,515
Analysis of balances of cash and cash equivalents		
Cash and bank balance	62,800	74,737
Bank overdrafts	—	(222)
	62,800	74,515