



CONSOLIDATED CASH FLOW STATEMENT

	Three months ended 31st July	
	2003	2002
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Operating activities		
Profit before taxation	4,888	3,938
Interest income	(52)	(125)
Interest expense	4,548	4,953
Depreciation of fixed assets	12,087	14,492
Amortisation of distribution right	–	267
(Gain)/loss on disposal of fixed assets	(101)	87
Share of profits less losses of associates	(8)	–
Share of profits less losses of jointly controlled entities	–	18
Unrealised gain on investment	(149)	–
Increase in inventories	(1,923)	(7,081)
Decrease/(increase) in trade receivables	5,423	(24,213)
Decrease/(increase) in bills receivable	583	(837)
Increase in prepayments, deposits and other current assets	(285)	(920)
(Decrease)/increase in trade payables	(4,169)	5,098
Increase in bills payable	1,406	3,470
(Decrease)/increase in accruals and other payables	(3,677)	4,136
Hong Kong profits tax refunded	18	–
Mainland China enterprise income tax paid	(78)	(297)
Net cash inflow from operating activities	18,511	2,986
Investing activities		
Purchase of fixed assets	(6,875)	(832)
Disposal of fixed assets	133	85
Purchase of investment properties	(438)	–
Interest received	52	125
Increase in deposit with an associate	(7,223)	–
Increase in pledged bank deposits	(310)	(100)
Net cash outflow from investing activities	(14,661)	(722)
Financing activities		
New short-term bank borrowings	84,357	87,853
Repayment of short-term bank borrowings	(119,271)	(68,660)
New long-term bank loans	165,000	–
Repayment of long-term bank loans	(94,499)	(11,175)
Repayment of capital element of finance lease obligations	(4,828)	(4,325)
Interest paid	(4,548)	(4,953)
Net cash inflow/(outflow) from financing activities	26,211	(1,260)
Translation adjustments	340	(350)
Increase in cash and cash equivalents	30,401	654
Cash and cash equivalents, beginning of period	(9,271)	(10,783)
Cash and cash equivalents, end of period	21,130	(10,129)