

CONSOLIDATED CASH FLOW STATEMENT

Year ended 30 June 2003

	Notes	2003 HK\$'000	2002 HK\$'000 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		6,146	27,483
Adjustments for:			
Finance costs	8	—	274
Interest income	5	(426)	(245)
Dividend income from listed investments	5	(25)	—
Depreciation of fixed assets	6	3,275	2,024
Amortisation of intangible assets	6	911	404
Loss on disposal of fixed assets	6	91	80
Operating profit before working capital changes		9,972	30,020
(Increase)/decrease in accounts receivable		3,902	(1,553)
(Increase)/decrease in inventories		5,589	(6,602)
(Increase)/decrease in deposits, prepayments and other receivables		(6,087)	3,068
Increase in short term investments		(4,238)	—
Decrease in accounts payable		(2,189)	(275)
Increase/(decrease) in accrued liabilities and other payables		392	(224)
Increase/(decrease) in deposits received		132	(164)
Decrease in amounts due to related parties		—	(363)
Cash generated from operations		7,473	23,907
PRC corporate income taxes paid		(111)	—
Net cash inflow from operating activities		7,362	23,907
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		426	245
Dividends received from listed investments		25	—
Purchases of fixed assets	13	(6,379)	(4,548)
Proceeds from disposal of fixed assets		356	161
Additions to intangible assets	14	(984)	(374)
Net cash outflow from investing activities		(6,556)	(4,516)

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Year ended 30 June 2003

	<i>Notes</i>	2003 <i>HK\$'000</i>	2002 <i>HK\$'000</i> (Restated)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment for repurchase of shares	23	(294)	—
Repayment of bank loans		(1,673)	(2,813)
Dividends paid		(6,663)	(5,000)
Proceeds from issue of share capital		—	35,433
Share issue expenses		—	(8,464)
Interest paid		—	(274)
Net cash inflow/(outflow) from financing activities		(8,630)	18,882
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
		(7,824)	38,273
Cash and cash equivalents at beginning of year		49,968	11,695
CASH AND CASH EQUIVALENTS AT END OF YEAR			
		42,144	49,968
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances		42,144	49,968