

Consolidated Cash Flow Statement

for the year ended 30 June 2003

	2003 <i>HK\$'000</i>	2002 <i>HK\$'000</i>
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit from operating activities	44,290	75,904
Adjustments for:		
Interest income	(1,944)	(1,950)
Dividend income from listed and unlisted investments	(5,869)	(818)
Net unrealised gain on short term investments	(2,822)	(4,189)
Depreciation	6,595	6,884
Amortisation of goodwill	7,619	1,996
Loss on disposal of fixed assets	–	243
Deficit on revaluation of leasehold land and buildings	64	1,080
Deficit on revaluation of investment properties	199	250
Gain on disposal of subsidiaries	–	(20)
Gain on disposal of a long term investment	(2,875)	–
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Operating profit before working capital changes	45,257	79,380
Increase in prepayments, deposits and other receivables	(14,471)	(2,193)
Increase in inventories	(3,477)	(16,400)
Decrease/(Increase) in trade receivables	736	(16,296)
Decrease in short term investments	3,893	9,840
Decrease in long term investments	–	11,000
Increase in trade payables	880	2,083
Increase in other payables and accruals	2,034	1,342
(Decrease)/Increase in trust receipt loans	(4)	4
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Cash generated from operations	34,848	68,760
Hong Kong profits tax paid	(600)	–
Overseas taxes paid	(4,258)	(649)
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Net cash inflow from operating activities	<u>29,990</u>	<u>68,111</u>

Consolidated Cash Flow Statement

for the year ended 30 June 2003

	2003 <i>HK\$'000</i>	2002 <i>HK\$'000</i>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of fixed assets and investment properties	(22,302)	(5,367)
Acquisition of additional interests in subsidiaries	–	(28,800)
Capital contribution for the establishment of jointly-controlled entities	(25,464)	–
Acquisition of a long term investment	(9,000)	–
Proceeds from disposal of subsidiaries (note 32(a))	–	20
Proceeds from disposal of a long term investment	2,375	–
Proceeds from disposal of fixed assets	–	320
Increase in other prepayment	(6,250)	–
Increase in pledged bank deposits	(25,948)	–
Interest received	1,944	1,950
Dividend received from listed and unlisted investments	5,869	818
	<u>(78,776)</u>	<u>(31,059)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of bank loans	(264)	(243)
Capital element of finance lease rental payments	(168)	(236)
Proceeds from exercise of share options	3,122	2,393
Proceeds from issue of warrants	25,200	–
Warrants issue expenses	(657)	–
Repurchase of shares	(2,658)	–
Contribution from minority shareholders	20,593	–
Interest paid	(113)	(156)
Interest element on finance lease rental payment	(80)	(64)
Dividends paid	(9,488)	(7,760)
	<u>35,487</u>	<u>(6,066)</u>
Net cash inflow/(outflow) from financing activities		
	<u>35,487</u>	<u>(6,066)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(13,299)	30,986
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	121,769	90,783
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>108,470</u>	<u>121,769</u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS AT END OF YEAR		
Bank and cash balances	109,059	122,051
Bank overdrafts, secured	(589)	(282)
	<u>108,470</u>	<u>121,769</u>