

## CONSOLIDATED CASH FLOW STATEMENT

	Notes	Nine months ended 31st January	
		2004 HK\$'000 (Unaudited)	2003 HK\$'000 (Unaudited)
Operating activities			
Profit before taxation		12,425	6,543
Interest income		(126)	(296)
Interest expense		13,569	14,182
Depreciation of property, plant and equipment		44,640	43,869
Amortisation of distribution right		–	800
(Gain)/loss on disposal of property, plant and equipment		(17)	173
Share of losses of an associate		27	–
Share of profits less losses of jointly controlled entities		–	(140)
Unrealised gain on investment		(378)	(430)
Increase in inventories		(4,025)	(25,536)
Decrease/(increase) in trade receivables		1,318	(26,491)
Increase in bills receivable		(3,140)	–
Decrease/(increase) in prepayments, deposits and other current assets		271	(6,699)
Increase/(decrease) in trade payables		3,414	(106)
Increase in bills payable		6,412	5,522
Increase in accruals and other payables		280	1,563
Hong Kong profits tax paid		(67)	(23)
Hong Kong profits tax refunded		18	68
Mainland China enterprise income tax paid		(188)	(463)
Mainland China enterprise income tax refunded		384	–
Net cash inflow from operating activities		74,817	12,536
Investing activities			
Purchase of property, plant and equipment	15	(48,225)	(6,431)
Proceeds from disposal of property, plant and equipment		148	162
Purchase of investment properties		(2,291)	–
Purchase of a subsidiary, net of cash acquired		–	220
Purchase of an associate		–	(1,998)
Decrease in amounts due from jointly controlled entities		–	765
(Decrease)/increase in pledged bank deposits		(68)	10,901
Interest received		126	296
Decrease in deposit with an associate		8,577	–
Net cash (outflow)/inflow from investing activities		(41,733)	3,915

CONSOLIDATED CASH FLOW STATEMENT (continued)

	Notes	Nine months ended 31st January	
		2004 HK\$'000 (Unaudited)	2003 HK\$'000 (Unaudited)
Financing activities			
Share issue expense		–	(3)
New short-term bank borrowings		98,808	103,683
Repayment of short-term bank borrowings		(113,496)	(68,660)
New long-term bank loans		165,000	7,000
Repayment of long-term bank loans		(133,497)	(39,840)
Repayment of capital element of finance lease obligations		(11,064)	(13,622)
Interest paid		(13,569)	(14,182)
Net cash outflow from financing activities		(7,818)	(25,624)
Translation adjustments		118	2,301
Increase/ (decrease) in cash and cash equivalents		25,384	(6,872)
Cash and cash equivalents, beginning of period		(9,271)	(10,783)
Cash and cash equivalents, end of period		16,113	(17,655)
Analysis of cash and cash equivalents:			
Bank balances and cash		25,642	12,956
Bank overdrafts		(9,529)	(30,611)
		16,113	(17,655)