

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2003

	2003 HK\$'000	2002 HK\$'000
OPERATING ACTIVITIES		
Profit before taxation	52,829	75,871
Adjustments for:		
Interest expenses	11,777	7,237
Interest income	(1,283)	(2,600)
Depreciation	935	770
Gain on disposal of plant and equipment	(13)	(3)
Operating cash flows before movements in working capital	64,245	81,275
Decrease (increase) in inventories	300,254	(379,594)
Increase in trade receivables, prepayments and deposits	(129,500)	(96,730)
(Decrease) increase in trade payables, sales deposits and accrued charges	(202,171)	213,521
Cash generated from (used in) operations	32,828	(181,528)
Hong Kong Profits Tax paid	(6,002)	(28,688)
Interest paid	(11,777)	(7,237)
NET CASH GENERATED FROM (USED IN) OPERATING ACTIVITIES	15,049	(217,453)
INVESTING ACTIVITIES		
Proceeds on disposal of plant and equipment	71	31
Purchase of plant and equipment	(947)	(1,161)
Interest received	1,283	2,600
Release of (increase in) bank deposits pledged	54,061	(60,257)
NET CASH GENERATED FROM (USED IN) INVESTING ACTIVITIES	54,468	(58,787)
FINANCING ACTIVITIES		
Dividends paid	(9,600)	(43,200)
Net (decrease) increase in bank borrowings	(100,160)	333,838
NET CASH (USED IN) GENERATED FROM FINANCING ACTIVITIES	(109,760)	290,638
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(40,243)	14,398
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	121,804	107,406
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	81,561	121,804
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	81,561	122,036
Bank overdrafts	-	(232)
	81,561	121,804