

CONSOLIDATED CASH FLOW STATEMENT

(For the year ended 31st March 2004)

	Note	2004 HK\$'000	2003 HK\$'000
Cash flows from operating activities			
Profit before taxation		38,495	22,132
Interest income		(133)	(118)
Interest expense		847	336
Depreciation of fixed assets		1,872	1,380
Gain on disposals of fixed assets		(20)	(5)
Goodwill from acquisition of subsidiary written off		54	–
Share of loss of an associated company		274	291
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Operating profit before working capital changes		41,389	24,016
Increase in inventories		(61,487)	(17,948)
Increase in accounts receivable		(32,647)	(28,811)
Increase in prepayment, deposits and other receivables		(4,315)	(1,516)
Increase in accounts payable		30,251	11,044
(Decrease)/increase in accruals and other payables		(664)	5,528
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Net cash used in operating activities		(27,473)	(7,687)
Overseas tax paid		(1,259)	(25)
Hong Kong profits tax (paid)/refunded		(5,100)	1,491
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Net cash outflow from operating activities		(33,832)	(6,221)
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Investing activities			
Purchase of fixed assets		(3,299)	(1,865)
Proceeds from disposals of fixed assets		133	128
Decrease/(increase) in amount due from an associated company		133	(1,101)
Purchase of a subsidiary, net of cash acquired		714	–
Interest received		133	118
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Net cash outflow from investing activities		(2,186)	(2,720)
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Net cash outflow before financing		(36,018)	(8,941)
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Consolidated Cash Flow Statement

(For the year ended 31st March 2004)

	Note	2004 HK\$'000	2003 HK\$'000
Financing	23(a)		
Interest paid		(847)	(336)
Dividends paid		(8,039)	(3,952)
Dividend paid to minority shareholders of subsidiaries		(540)	–
New loan raised		50,241	7,000
Capital contributions from minority shareholders of subsidiaries		3,451	1
		<u>44,266</u>	<u>2,713</u>
Net cash inflow from financing		44,266	2,713
Increase/(decrease) in cash and cash equivalents		8,248	(6,228)
Cash and cash equivalents, beginning of year		20,553	26,675
Effect of foreign exchange rate changes		748	106
Cash and cash equivalents, end of year	23(b)	<u>29,549</u>	<u>20,553</u>