

# Consolidated Cash Flow Statement

For the year ended March 31, 2004

	2004 HK\$'000	2003 HK\$'000
Operating activities		
Profit before taxation	8,191	4,927
Adjustments for:		
Interest income	(98)	(176)
Allowance for inventories	—	1,211
Depreciation	2,191	2,985
Gain on realisation of equity-linked note	(186)	—
Loss on disposals of property, plant and equipment	39	44
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Operating cash flows before movements in working capital	10,137	8,991
Increase in inventories	(8,929)	(4,317)
(Increase) decrease in trade and other receivables	(5,362)	15,459
Increase (decrease) in trade and other payables	11,674	(14,640)
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Cash generated from operating activities	7,520	5,493
Hong Kong Profits Tax paid	(1,967)	—
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Net cash generated from operating activities	5,553	5,493
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Investing activities		
Interest received	98	176
Purchase of property, plant and equipment	(3,395)	(866)
Proceeds from realisation of equity-linked note	186	—
Proceeds from disposals of property, plant and equipment	3	34
Increase in pledged bank deposit	(8,031)	—
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Net cash used in investing activities	(11,139)	(656)
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Cash used in financing activity		
Dividend paid	—	(1,670)
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Net (decrease) increase in cash and cash equivalents	(5,586)	3,167
Cash and cash equivalents at April 1	35,671	32,504
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Cash and cash equivalents at March 31	<u>30,085</u>	<u>35,671</u>
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Analysis of the balances of cash and cash equivalents		
Bank balances and cash	<u>30,085</u>	<u>35,671</u>