

## CONSOLIDATED CASH FLOW STATEMENT

*For the year ended 31st March, 2004*

	2004 HK\$'000	2003 HK\$'000
<b>Operating activities</b>		
Loss from operations	(4,375)	(40,202)
Adjustments for:		
Provision for long service payments	35	19
Interest income	(243)	(466)
Amortisation of intangible asset	440	820
Loss on disposal of property, plant and equipment	27	121
Depreciation and amortisation of property, plant and equipment	8,780	7,796
Exchange realignment	(1,242)	374
Operating cash flows before movement in working capital	3,422	(31,538)
Decrease in inventories	2,650	19,025
Decrease (increase) in trade debtors	8,374	(3,767)
(Increase) decrease in other debtors, prepayments and deposits	(5,414)	9,487
Decrease in amount due from associate	2,483	7
Decrease in trade creditors	(2,145)	(7,712)
Decrease in bills payable	(396)	(135)
(Decrease) increase in other creditors and accrued charges	(1,889)	2,196
Cash generated from (used in) operations	7,085	(12,437)
Interest income	243	466
Hong Kong Profits Tax paid	(6)	(110)
<b>Net cash generated from (used in) operating activities</b>	<b>7,322</b>	<b>(12,081)</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment	(9,828)	(26,125)
Proceeds from disposal of property, plant and equipment	246	13
<b>Net cash used in investing activities</b>	<b>(9,582)</b>	<b>(26,112)</b>
<b>Financing activities</b>		
Trust receipt loans, net	1,531	6,687
Interest paid	(469)	(717)
Repayment of obligations under a finance lease	(41)	–
Dividend paid	–	(10,874)
<b>Net cash generated from (used in) financing activities</b>	<b>1,021</b>	<b>(4,904)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(1,239)</b>	<b>(43,097)</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>16,951</b>	<b>60,048</b>
<b>Cash and cash equivalents at end of the year,</b> represented by bank balances and cash	<b>15,712</b>	<b>16,951</b>