

CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 March 2004

| | Notes | 2004 HK\$'000 | 2003 HK\$'000 |
|--|-------|------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Profit before tax | | 14,317 | 25,625 |
| Adjustments for: | | | |
| Depreciation | | 1,505 | 1,577 |
| Interest income | 5 | (282) | (410) |
| Loss on disposal of fixed assets | 7 | – | 3 |
| Provision for doubtful debts and bad debts written off | 7 | 133 | 218 |
| Operating profit before working capital changes | | 15,673 | 27,013 |
| Decrease/(increase) in prepayments, deposits and other receivables | | 826 | (1,817) |
| Decrease/(increase) in trade receivables | | 861 | (2,750) |
| Decrease in trade payables | | (611) | (2,069) |
| Increase/(decrease) in other payables and accrued liabilities | | (1,241) | 245 |
| Decrease in provision for long service payments | | (2,709) | (1,543) |
| Decrease in balances with related companies, net | | – | (2,133) |
| Cash generated from operations | | 12,799 | 16,946 |
| Hong Kong profits tax paid | | (3,112) | (5,207) |
| Dividends paid | | (39,298) | (75,218) |
| Net cash outflow from operating activities | | (29,611) | (63,479) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of fixed assets | 14 | (2,317) | (1,745) |
| Interest received | | 282 | 410 |
| Decrease in an amount due from a related company for previous other investment | | – | 50,311 |
| Decrease/(increase) in pledged time deposits | | 1,263 | (55) |
| Net cash inflow/(outflow) from investing activities | | (772) | 48,921 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from issue of share capital | 22 | 25,200 | – |
| Share issue expenses | 22 | (5,072) | – |
| Net cash inflow from financing activities | | 20,128 | – |
| NET DECREASE IN CASH AND CASH EQUIVALENTS | | (10,255) | (14,558) |
| Cash and cash equivalents at beginning of year | | 57,184 | 71,742 |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | | 46,929 | 57,184 |



Consolidated Cash Flow Statement

Year ended 31 March 2004

| | Notes | 2004 HK\$'000 | 2003 HK\$'000 |
|---|-------|------------------|------------------|
| ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS | | | |
| Cash and bank balances | 18 | 31,678 | 40,510 |
| Non-pledged time deposits with original maturity of less than three months when acquired | 18 | 15,251 | 16,674 |
| | | <u>46,929</u> | <u>57,184</u> |