

# Consolidated Cash Flow Statement

For the year ended 31st March, 2004

	2004 HK\$	2003 HK\$
Cash flows from operating activities		
Profit (loss) before taxation	6,623,693	(16,080,723)
Adjustments for:		
Interest income	(232,960)	(356,666)
Interest on bank borrowings	682,548	158,580
Interest on obligations under finance leases	20,145	5,465
Share of results of associates	—	523,067
Amortisation of goodwill	125,786	—
(Gain) loss on disposal of property, plant and equipment	(898,093)	2,435,362
Depreciation and amortisation of property, plant and equipment	11,626,669	15,993,333
Impairment losses recognised in respect of property, plant and equipment	8,329,005	—
Negative goodwill arising on acquisition of additional interest in a subsidiary released	(112,662)	—
Deficit arising on revaluation of investment properties	—	1,050,000
Write-off of property, plant and equipment	—	7,288,490
Write-off of debtors and prepayments	—	4,230,991
Provision for restructuring expenses	—	2,167,000
Gain on partial disposal of a subsidiary	—	(3,148,827)
Impairment losses recognised in respect of interest in associates	—	982,785
Operating cash flows before movements in working capital	26,164,131	15,248,857
(Increase) decrease in inventories	(16,610,086)	12,765,679
(Increase) decrease in debtors and prepayments	(15,634,276)	22,114,135
Increase (decrease) in creditors and accrued charges	9,149,506	(29,000,671)
Net cash generated from operations	3,069,275	21,128,000
Hong Kong Profits Tax paid	(7,005,371)	—
Net cash (used in) from operating activities	(3,936,096)	21,128,000
Cash flows from investing activities		
Purchases of property, plant and equipment	(4,717,608)	(8,796,650)
Purchase of additional interests in a subsidiary	(943,396)	—
Investment in an associate	—	(10,000)
Interest received	232,960	356,666
Proceeds from disposal of property, plant and equipment	1,025,542	—
Proceeds from disposal of associates	3,510,000	—
Net cash used in investing activities	(892,502)	(8,449,984)

	2004 HK\$	2003 HK\$
Cash flows from financing activities		
Dividends paid	(22,282,336)	(22,282,336)
Repayments of other borrowings	—	(2,000,000)
Repurchase of shares	—	(93,100)
Principal repayments for obligations under finance leases	(138,639)	(60,695)
Interest paid on bank borrowings	(682,548)	(158,580)
Interest paid on obligations under finance leases	(20,145)	(5,465)
Net cash inflow from trust receipts and bank loans	<u>15,200,092</u>	<u>10,000,218</u>
Net cash used in financing activities	<u>(7,923,576)</u>	<u>(14,599,958)</u>
Net decrease in cash and cash equivalents	(12,752,174)	(1,921,942)
Cash and cash equivalents at beginning of the year	58,746,028	60,686,742
Effect on foreign exchange rate changes	—	(18,772)
Cash and cash equivalents at end of the year	<u><u>45,993,854</u></u>	<u><u>58,746,028</u></u>
Analysis of the balances of cash and cash equivalents		
Bank balances, deposits and cash	<u><u>45,993,854</u></u>	<u><u>58,746,028</u></u>