

CONSOLIDATED CASH FLOW STATEMENT

For the period from 1st May 2003 to 31st March 2004

	NOTES	1.5.2003 to 31.3.2004 HK\$'000	1.5.2002 to 30.4.2003 HK\$'000
Operating activities			
Profit (loss) from operations		79,032	(34,265)
Adjustments for:			
Amortisation of goodwill		28,398	28,109
Depreciation of property, plant and equipment		652	9,656
Loss (gain) on disposal of property, plant and equipment		23	(475)
Interest income		(1,817)	(6,064)
Operating cash flows before movements in working capital		106,288	(3,039)
Decrease (increase) in inventories		51,754	(76,441)
Increase in trade receivables		(285,431)	(42,405)
Decrease (increase) in deposits, prepayments and other receivables		6,188	(22,580)
Decrease (increase) in amount due from an associate		632	(2,184)
Decrease (increase) in amounts due from related companies		199,469	(141,477)
Increase in trade and bills payables		6,768	371,107
Increase (decrease) in accrued charges and other payables		12,612	(34,707)
Decrease in amounts due to directors		(100)	–
(Decrease) increase in amount due to a related company		(68)	68
Increase in amount due to an associate		1,100	–
(Decrease) increase in sales deposits received		(32,013)	17,371
Cash generated from operations		67,199	65,713
Hong Kong Profits Tax refunded (paid)		3,075	(16,009)
Net cash generated from operating activities		70,274	49,704
Investing activities			
Interest received		1,817	6,064
Proceeds from disposal of property, plant and equipment		15	517
Acquisition of subsidiaries and an associate	37	–	896
Disposal of subsidiaries	38	–	(31,521)
Purchases of property, plant and equipment		(235)	(4,450)
Investment in securities		(8,205)	–
Decrease (increase) in pledged bank deposits		4	(23,648)
Decrease (increase) in notes receivable		5,172	(12,411)
Advance to a related company		–	(2,664)
Net cash used in investing activities		(1,432)	(67,217)
Financing activities			
Issue of ordinary shares, net of expenses		50,956	–
(Decrease) increase in bank loans		(11,437)	6,820
(Decrease) increase in trust receipt loans		(45,812)	58,206
Redemption of convertible notes		(72,247)	(51,000)
Repayment of amounts due to directors		(6,574)	–
Interest and other borrowing costs paid		(4,671)	(7,954)
Net cash (used in) from financing activities		(89,785)	6,072
Net decrease in cash and cash equivalents		(20,943)	(11,441)
Cash and cash equivalents at beginning of the period/year		101,655	113,096
Cash and cash equivalents at end of the period/year, represented by bank balances and cash		80,712	101,655