For the year ended 31st March 2004

Note HK\$'000 HK\$'000				
OPERATING ACTIVITIES Profit from operations Adjustments for: Interest income Depreciation and amortisation of property, plant and equipment Depreciation and equipment Depreciation and equipment Depreciation of goodwill Despectation of goodwill De		Note		2003 HK\$'000
Profit from operations		14010	ΤΙΚΦ 000	11114 000
Adjustments for: Interest income Depreciation and amortisation of property, plant and equipment Amortisation of goodwill Impairment loss recognised in respect of investments in securities Impairment loss recognised in respect of goodwill Loss (gain) on disposal of property, plant and equipment Loss on disposal of investment properties Operating cash flow before movements in working capital Opercase/(increase) in inventories (increase)/decrease in debtors, deposits and prepayments Opercase (increase) in inventories (increase)/decrease in debtors, deposits and prepayments Opercase (increase) in inventories (increase)/decrease in reditors and accrued charges Opercase in amounts due from related companies (Decrease)/(increase) in debtors and accrued charges Opercase in inventories (increase)/(increase) in inventories (increase)/(increas	OPERATING ACTIVITIES			
Interest income Depreciation and amortisation of property, plant and equipment Amortisation of goodwill Amortisation of goodwill Impairment loss recognised in respect of investments in securities Impairment loss recognised in respect of goodwill Loss/(gain) on disposal of property, plant and equipment Loss on disposal of investment properties Operating cash flow before movements in working capital Pecrease/(increase) in inventories (Increase)/decrease in debtors, deposits and prepayments (Decrease)/increase in creditors and accrued charges (Cherease)/increase in creditors and accrued charges (Decrease in bills payable Exchange adjustments (1999) (II) Net cash generated from operations Interest received Interest received Interest paid Interest on finance leases (7) (7) (7) (7) (7) (7) (7) (7) (7) (7)	Profit from operations		2,425	13,749
Depreciation and amortisation of property, plant and equipment 3,888 2,862 Amortisation of goodwill 429 — Impairment loss recognised in respect of investments in securities — 2,000 Impairment loss recognised in respect of goodwill — 471 Loss/(gain) on disposal of property, plant and equipment 963 (80) Loss on disposal of investment properties — 2,053 — — Operating cash flow before movements in working capital 9,459 18,737 Decrease of investment properties 9,459 18,737 Decrease of moments due from related companies (5,169) 7,092 Decrease in amounts due from related companies 5,516 278 C(Decrease)/increase in creditors and accrued charges (8,657) 12,948 Decrease in bills payable — (412 Exchange adjustments (199) (111 Net cash generated from operations 17,095 14,227 Interest received (8857) (260 Interest paid (8857) (260 Interest and interest received (867) — — NET CASH FROM OPERATING ACTIVITIES 14,782 13,452 INVESTING ACTIVITIES (1,60) (7,731 Purchase of investment properties — (50,601 Purchase of investment properties (10,502) (7,741 Purchase of investments in securities (10,502) (7,741 Purchase of investm	Adjustments for:			
plant and equipment Amortisation of goodwill Impairment loss recognised in respect of investments in securities Impairment loss recognised in respect of goodwill Loss/(gain) on disposal of property, plant and equipment Loss/(gain) on disposal of investment properties Operating cash flow before movements in working capital Occrease/(increase) in inventories Increase/(increase) Increase/(i	Interest income		(299)	(265)
Amortisation of goodwill Impairment loss recognised in respect of investments in securities In securities In securities Impairment loss recognised in respect of goodwill Loss/(gain) on disposal of property, plant and equipment Loss on disposal of investment properties Operating cash flow before movements in working capital Decrease/(increase) in inventories Increase)/decrease in debtors, deposits and prepayments Decrease in amounts due from related companies (Increase)/fincrease in creditors and accrued charges Decrease in mounts due from related companies (Operating capital) Decrease in bills payable (Decrease)/increase in creditors and accrued charges Decrease in bills payable Exchange adjustments Interest received Interest received Interest received Interest received Interest received Interest received Interest on finance leases Interest apid Interest on finance leases Interest on finance leases Interest paid Interest on finance leases Interest on finance leases Interest on finance leases Interest paid Interest on finance leases Interest on finance leas	Depreciation and amortisation of property,			
Impairment loss recognised in respect of investments in securities Impairment loss recognised in respect of goodwill Loss/(gain) on disposal of property, plant and equipment Loss on disposal of investment properties Operating cash flow before movements in working capital Decrease/(increase) in inventories (Increase)/decrease in debtors, deposits and prepayments (Enterest)/decrease in debtors, deposits and prepayments (S, 169) Decrease in amounts due from related companies (B, 657) Decrease in bills payable Decrease in debtors, deposits and prepayments (I199) (I11) Net cash generated from operations I17,095 I4,227 Interest received Interest received Interest received Interest received Interest paid Interest no finance leases (7) (7) (7) (7) (7) Tax paid: Hong Kong Overseas (87) Overseas (87) Purchase of property, plant and equipment Purchase of investment properties Purchase of investment properties Purchase of investments in securities (10,502) Purchase of investments in securities (10,502) Proceeds from disposal of investments in securities 7,741 Proceeds from disposal of investment properties Advance to related companies - (4,420) INCET CASH FROM/(USED IN) INVESTING	plant and equipment		3,888	2,862
in securities — 2,000 Impairment loss recognised in respect of goodwill — 471 Loss/(gain) on disposal of property, plant and equipment 963 (80 Loss on disposal of investment properties 2,053 — Operating cash flow before movements in working capital 9,459 18,737 Decrease/(increase) in inventories 16,145 (24,405 (Increase)/decrease in debtors, deposits and prepayments (5,169) 7,092 Decrease in amounts due from related companies 5,516 278 (Decrease)/increase in increditors and accrued charges (8,657) 12,948 Decrease in bills payable — (112 Exchange adjustments (1999) (11) Net cash generated from operations 17,095 14,227 Interest received 299 265 Interest paid (857) (260 Interest on finance leases (7) (7) Interest received (857) (260 Interest on finance leases (7) (7) Interest received (87) (260 Interest on finance leases (87) (7) Interest received (87) (7) Interest received (87) (7) Interest paid (857) (260 Interest on finance leases (7) (7) Interest on finance leases (7) (7) Interest paid (857) (260 Interest on finance leases (7) (7) Interest received (87) (1,661) (773 Interest paid (857) (260 Interest on finance leases (7) (7) Interest received (87) (1,661) (773 Interest paid (857) (260 Interest on finance leases (7) (7) Interest received (87) (1,661) (773 Interest received (8,67) (1,661) (1	Amortisation of goodwill		429	-
Impairment loss recognised in respect of goodwill	Impairment loss recognised in respect of investments			
Loss/(gain) on disposal of property, plant and equipment Loss on disposal of investment properties Operating cash flow before movements in working capital Decrease/(increase) in inventories (Increase)/decrease in debtors, deposits and prepayments (Increase)/increase in creditors and accrued charges Decrease in bills payable Decrease in b	in securities		-	2,000
Loss on disposal of investment properties Operating cash flow before movements in working capital Decrease/(Increase) in inventories (Increase)/decrease in debtors, deposits and prepayments (Increase)/decrease in debtors, deposits and prepayments (Increase)/decrease in debtors and accrued charges (Increase)/increase in creditors and accrued charges (Increase)/increase in creditors and accrued charges (Increase)/increase in bills payable (Increase)/increase in debtors, deposits and prepayments (Increase)/increase in creditors and accrued charges (Increase in pledged bank deposits (Increase)/Increase in investment/Increase in pledged bank deposits (Increase)/Increase in investment/Increase in pledged bank deposits (Increase)/Increase in investment/Increase in pledged bank deposits (Increase)/Increase in Increase in pledged bank deposits (Increase)/Increase in Increase in Increase in pledged bank deposits (Increase)/Increase in Increase in Increa	Impairment loss recognised in respect of goodwill		-	471
Operating cash flow before movements in working capital 9,459 18,737 16,145 (24,405 (Increase)/in inventories 16,145 (24,405 (Increase)/increase) in inventories (5,169) 7,092 (Decrease in amounts due from related companies 5,516 278 (Decrease in amounts due from related companies 5,516 278 (Decrease in bills payable — (412 Exchange adjustments (199) (1199) (11) (199) (11)	Loss/(gain) on disposal of property, plant and equipment			(80)
Working capital 9,459 18,737 16,145 (24,405 (10,145 (24,405 (10,145 (24,405 (10,145 (24,405 (10,145 (24,405 (10,145 (24,405 (10,145 (24,405 (10,145 (24,405 (10,145 (24,405 (10,145 (24,405 (10,145 (24,405 (10,145 (10,145 (24,405 (10,145	Loss on disposal of investment properties		2,053	
Decrease/(increase) in inventories 16,145 (24,405 7,092 7,093 7,094 7,094 7,094 7,094 7,094 7,095 7,092 7,094 7,094 7,095 7,094 7,095 7,094 7,095 7,094 7,095 7,09	Operating cash flow before movements in			
(Increase)/decrease in debtors, deposits and prepayments Decrease in amounts due from related companies (Decrease)/increase in creditors and accrued charges Decrease in bills payable Decrease in bills payable Exchange adjustments Net cash generated from operations I17,095 I17,09	working capital		9,459	18,737
Decrease in amounts due from related companies (Decrease)/increase in creditors and accrued charges (Decrease)/increase in creditors and accrued charges (R,657) 12,948 Decrease in bills payable Exchange adjustments (199) (111 Net cash generated from operations 17,095 14,227 Interest received 299 265 Interest paid (R857) (260 Interest on finance leases (7) (7) (7) (7) (7) Tax paid: Hong Kong Overseas (R87) NET CASH FROM OPERATING ACTIVITIES INVESTING ACTIVITIES Purchase of property, plant and equipment Purchase of investments properties Purchase of investments in securities Purchase of investments in securities Purchase of investments in securities Proceeds from disposal of investments in securities Proceeds from disposal of investment properties Advance to related companies Advance to related companies INVESTING Acquisition of subsidiaries 33(a) 223 NET CASH FROM/(USED IN) INVESTING	Decrease/(increase) in inventories		16,145	(24,405)
(Decrease)/increase in creditors and accrued charges Decrease in bills payable Exchange adjustments (199) (1199) (111) Net cash generated from operations Interest received Interest received Interest paid Interest on finance leases Interest paid Interest received Interest paid Interest pai	(Increase)/decrease in debtors, deposits and prepayments			7,092
Decrease in bills payable Exchange adjustments (199) (1199) (111 Net cash generated from operations 17,095 14,227 Interest received Interest paid Interest on finance leases (7) (7) Tax paid: Hong Kong Overseas (1,661) (87) NET CASH FROM OPERATING ACTIVITIES INVESTING ACTIVITIES Purchase of property, plant and equipment Purchase of investments in securities Purchase of investments in securities Proceeds from disposal of property, plant and equipment Proceeds from disposal of property, plant and equipment Proceeds from disposal of investments in securities Proceeds from disposal of investment properties Advance to related companies Increase in pledged bank deposits Acquisition of subsidiaries NET CASH FROM/(USED IN) INVESTING	·			278
Exchange adjustments (199) (11 Net cash generated from operations 17,095 14,227 Interest received 299 265 Interest paid (857) (260 Interest on finance leases (7) (7) (7) Tax paid: (1,661) (773 Overseas (87) — NET CASH FROM OPERATING ACTIVITIES 14,782 13,452 INVESTING ACTIVITIES (4,305) (4,033 Purchase of property, plant and equipment (4,305) (4,033 Purchase of investment properties (10,502) (7,741 Proceeds from disposal of investments in securities (10,502) (7,741 Proceeds from disposal of investment properties (7,700 — Advance to related companies (4,420 Increase in pledged bank deposits (280) — Acquisition of subsidiaries 33(a) 223 — NET CASH FROM/(USED IN) INVESTING			(8,657)	
Net cash generated from operations Interest received Interest paid Interest on finance leases Interes	• •		-	` ′
Interest received (857) (260 (857) (260 (857) (260 (857) (260 (857) (260 (857) (260 (857) (260 (857) (260 (857) (260 (857) (260 (857) (260 (857) (260 (857) (260 (857) (260 (857) (87) (87) (87) (87) (87) (87) (87) (8	Exchange adjustments		(199)	(11)
Interest paid Interest on finance leases Interest of Inte	Net cash generated from operations		17,095	14,227
Interest on finance leases Tax paid: Hong Kong Overseas (87) NET CASH FROM OPERATING ACTIVITIES INVESTING ACTIVITIES Purchase of property, plant and equipment Purchase of investment properties Purchase of investments in securities Proceeds from disposal of investments in securities Proceeds from disposal of property, plant and equipment Proceeds from disposal of investment properties Proceeds from disposal of property, plant and equipment Proceeds from disposal of property, plant and equipment Proceeds from disposal of investment properties Advance to related companies Advance to related companies Acquisition of subsidiaries NET CASH FROM/(USED IN) INVESTING	Interest received		299	265
Tax paid: Hong Kong Overseas (1,661) (773 (87) NET CASH FROM OPERATING ACTIVITIES INVESTING ACTIVITIES Purchase of property, plant and equipment Purchase of investment properties Purchase of investments in securities Proceeds from disposal of investments in securities Proceeds from disposal of property, plant and equipment Proceeds from disposal of investment properties Proceeds from disposal of investment properties Advance to related companies Acquisition of subsidiaries NET CASH FROM/(USED IN) INVESTING	Interest paid		(857)	(260)
Hong Kong Overseas (1,661) (87) NET CASH FROM OPERATING ACTIVITIES INVESTING ACTIVITIES Purchase of property, plant and equipment Purchase of investment properties Purchase of investments in securities Proceeds from disposal of investments in securities Proceeds from disposal of property, plant and equipment Proceeds from disposal of investment properties Advance to related companies Proceeds in pledged bank deposits Acquisition of subsidiaries NET CASH FROM/(USED IN) INVESTING			(7)	(7)
Overseas NET CASH FROM OPERATING ACTIVITIES INVESTING ACTIVITIES Purchase of property, plant and equipment Purchase of investment properties Purchase of investments in securities Purchase of investments in securities Proceeds from disposal of investments in securities Proceeds from disposal of property, plant and equipment Proceeds from disposal of investment properties Proceeds from disposal of investment properties Advance to related companies Proceeds in pledged bank deposits Acquisition of subsidiaries NET CASH FROM/(USED IN) INVESTING	·			
NET CASH FROM OPERATING ACTIVITIES INVESTING ACTIVITIES Purchase of property, plant and equipment Purchase of investment properties Purchase of investments in securities Proceeds from disposal of investments in securities Proceeds from disposal of property, plant and equipment Proceeds from disposal of investment properties Advance to related companies Acquisition of subsidiaries I 14,782 I 3,452 I 4,033 (10,502) (7,741				(773)
Purchase of property, plant and equipment Purchase of investment properties Purchase of investments in securities Proceeds from disposal of investments in securities Proceeds from disposal of property, plant and equipment Proceeds from disposal of investment properties Advance to related companies Acquisition of subsidiaries INTEL CASH FROM/(USED IN) INVESTING (4,305) (4,033) (10,502) (7,741) - (10,502) 7,741 - (10,502) 7,741 - (10,502) 7,741 - (4,420) - (4,42	Overseas		(87)	
Purchase of property, plant and equipment Purchase of investment properties Purchase of investments in securities Proceeds from disposal of investments in securities Proceeds from disposal of property, plant and equipment Proceeds from disposal of investment properties Proceeds from disposal of property, plant and equipment	NET CASH FROM OPERATING ACTIVITIES		14,782	13,452
Purchase of investment properties Purchase of investments in securities Proceeds from disposal of investments in securities Proceeds from disposal of property, plant and equipment Proceeds from disposal of investment properties Advance to related companies Increase in pledged bank deposits Acquisition of subsidiaries (50,601 (10,502) 7,741 - 80 7,700 - (4,420 (4,420) - (280) - MET CASH FROM/(USED IN) INVESTING	INVESTING ACTIVITIES			
Purchase of investment properties Purchase of investments in securities Proceeds from disposal of investments in securities Proceeds from disposal of property, plant and equipment Proceeds from disposal of investment properties Advance to related companies Increase in pledged bank deposits Acquisition of subsidiaries (50,601 (10,502) 7,741 - 80 7,700 - (4,420 (4,420) - (280) - MET CASH FROM/(USED IN) INVESTING	Purchase of property, plant and equipment		(4,305)	(4,033)
Purchase of investments in securities Proceeds from disposal of investments in securities Proceeds from disposal of property, plant and equipment Proceeds from disposal of investment properties Advance to related companies Increase in pledged bank deposits Acquisition of subsidiaries NET CASH FROM/(USED IN) INVESTING (10,502) 7,741 - 7,741 - 7,700 - (4,420 (280) - 33(a) 223 - NET CASH FROM/(USED IN) INVESTING				· ·
Proceeds from disposal of property, plant and equipment Proceeds from disposal of investment properties 7,700 - Advance to related companies Increase in pledged bank deposits Acquisition of subsidiaries 3 80 7,700 - (4,420 280) - NET CASH FROM/(USED IN) INVESTING	Purchase of investments in securities		(10,502)	(7,741)
Proceeds from disposal of investment properties Advance to related companies Increase in pledged bank deposits Acquisition of subsidiaries NET CASH FROM/(USED IN) INVESTING 7,700 - (4,420) - (280) - (280) - (280) - (280) - (280)	Proceeds from disposal of investments in securities		7,741	_
Advance to related companies Increase in pledged bank deposits Acquisition of subsidiaries NET CASH FROM/(USED IN) INVESTING (4,420 (280) — (280) — (33(a) — (4,420) — (280)	Proceeds from disposal of property, plant and equipment		3	80
Increase in pledged bank deposits Acquisition of subsidiaries NET CASH FROM/(USED IN) INVESTING (280) —— —— —— —— —— —— —— —— ——	Proceeds from disposal of investment properties		7,700	_
Acquisition of subsidiaries 33(a) 223 NET CASH FROM/(USED IN) INVESTING	Advance to related companies		-	(4,420)
NET CASH FROM/(USED IN) INVESTING	Increase in pledged bank deposits		(280)	-
	Acquisition of subsidiaries	33(a)	223	
ACTIVITIES 580 (66,715	NET CASH FROM/(USED IN) INVESTING			
	ACTIVITIES		580	(66,715)

For the year ended 31st March 2004

	2004	2003
	HK\$'000	HK\$'000
FINANCING ACTIVITIES		
Dividend paid	(1,904)	(8,303)
Repayment of bank loans	(3,056)	(796)
Repayment of obligations under finance leases	(40)	(111)
New bank loan raised		33,740
NET CASH (USED IN)/FROM FINANCING		
ACTIVITIES	(5,000)	24,530
NET INCREASE/(DECREASE) IN CASH AND CASH		
EQUIVALENTS	10,362	(28,733)
CASH AND CASH EQUIVALENTS AT BEGINNING	10,302	(20,733)
OF YEAR	22,030	50,752
Effect of foreign exchange rates changes	25	30,732
Lifect of foreign exchange rates changes		
CASH AND CASH EQUIVALENTS AT END OF		
YEAR	32,417	22,030
ANALYSIS OF THE BALANCES OF CASH AND		
CASH EQUIVALENTS		
Bank balances and cash	32,473	22,030
Bank overdraft	(56)	_
	32,417	22,030