

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st March, 2004

	NOTES	2004 HK\$'000	2003 HK\$'000
OPERATING ACTIVITIES			
Profit from operations		35,377	23,179
Adjustments for:			
Amortisation of goodwill		1,039	–
Amortisation of textile quota entitlements		5,000	–
Depreciation and amortisation		24,197	22,500
Interest income		(269)	(2,037)
Gain on disposal of property, plant and equipment		(650)	(315)
Gain on disposal of a subsidiary		–	(1,029)
Realised and unrealised holding (gain) loss on trading securities		(510)	867
Investment income from investments in securities		(2,360)	(397)
Operating cash flows before movements in working capital		61,824	42,768
Increase in inventories		(53,973)	(48,939)
(Increase) decrease in trade and other receivables		(29,308)	7,262
Decrease (increase) in bills receivable		1,367	(7,838)
Increase in amount due from an associate		–	(5)
Increase in trade and other payables		9,392	13,159
(Decrease) increase in bills payable		(1,305)	1,983
Cash (used in) from operations		(12,003)	8,390
Income taxes paid		(2,169)	(565)
Interest paid		(219)	–
Interest received		269	2,037
NET CASH (USED IN) FROM OPERATING ACTIVITIES		(14,122)	9,862

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For the year ended 31st March, 2004

		2004	2003
	NOTES	HK\$'000	HK\$'000
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(42,070)	(34,055)
Acquisition of a subsidiary	25	(18,425)	–
Purchase of investments in securities		(6,494)	(40,917)
Increase in pledged deposit		(3,688)	–
Proceeds from disposal of trading securities		38,770	–
Proceeds from disposal of a subsidiary in prior year		7,030	–
Dividend received from investment in securities		2,360	397
Proceeds from disposal of property, plant and equipment		770	315
Disposal of a subsidiary	26	–	670
		<u> </u>	<u> </u>
NET CASH USED IN INVESTING ACTIVITIES		<u>(21,747)</u>	<u>(73,590)</u>
FINANCING ACTIVITIES			
Dividend paid		(22,537)	(4,640)
Dividend paid to minority shareholders		(750)	–
New bank loan raised		6,202	–
Issue of shares		985	–
		<u> </u>	<u> </u>
NET CASH USED IN FINANCING ACTIVITIES		<u>(16,100)</u>	<u>(4,640)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS		<u>(51,969)</u>	<u>(68,368)</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		<u>75,148</u>	<u>143,516</u>
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank balances and cash		<u><u>23,179</u></u>	<u><u>75,148</u></u>