

# CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 March 2005

ANEX INTERNATIONAL HOLDINGS LIMITED

	<i>NOTES</i>	<b>2005</b> <b>HK\$'000</b>	2004 HK\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Loss before tax		<b>(707)</b>	(8,898)
Adjustments for:			
Finance costs	8	<b>1,832</b>	1,069
Share of profit of an associate		<b>(849)</b>	(195)
Interest income	6	<b>(40)</b>	(40)
Gain on disposal of fixed assets	6	<b>(44)</b>	(880)
Gain on disposal of an investment property	6	-	(450)
Depreciation	7	<b>11,283</b>	11,327
Surplus on revaluation of fixed assets	7	<b>(428)</b>	(798)
Write-back of inventory obsolescence	7	-	(1,400)
Provision for doubtful debts	7	-	322
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Operating profit before working capital changes		<b>11,047</b>	57
Increase in inventories		<b>(3,842)</b>	(12,008)
(Increase)/decrease in trade receivables		<b>19,555</b>	(18,452)
(Increase)/decrease in prepayments, deposits and other receivables		<b>1,829</b>	(3,054)
Increase/(decrease) in trade payables		<b>(7,948)</b>	21,965
Increase/(decrease) in other payables and accruals		<b>(2,876)</b>	6,778
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Cash generated from/(used in) operations		<b>17,765</b>	(4,714)
Interest received		<b>40</b>	40
Interest paid		<b>(1,756)</b>	(1,022)
Interest element on finance lease payments		<b>(76)</b>	(47)
Hong Kong profits tax paid		-	(4)
Overseas taxes paid		<b>(304)</b>	(208)
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Net cash inflow/(outflow) from operating activities		<b>15,669</b>	(5,955)

# CONSOLIDATED CASH FLOW STATEMENT *(continued)*

ANNUAL REPORT 2005

Year ended 31 March 2005

	<b>2005</b>	2004
	<b>HK\$'000</b>	HK\$'000
Net cash inflow/(outflow) from operating activities	<b>15,669</b>	(5,955)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Dividends received from an associate	<b>4,560</b>	–
Purchases of fixed assets	<b>(3,462)</b>	(5,173)
Proceeds from disposal of fixed assets	<b>2,196</b>	2,620
Proceeds from disposal of an investment property	<b>–</b>	1,740
Decrease in an amount due from an associate	<b>20,552</b>	–
Decrease in an amount due to an associate	<b>(22,760)</b>	(1)
Increase in mould deposits	<b>(6,575)</b>	(7,259)
Repayment of note receivable	<b>–</b>	500
(Increase)/decrease in pledged deposits	<b>1,637</b>	(2,638)
Net cash outflow from investing activities	<b>(3,852)</b>	(10,211)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of other loans	<b>(3,900)</b>	(1,450)
Capital element of finance lease payments	<b>(769)</b>	(385)
Increase/(decrease) in packing loans, secured	<b>(12,083)</b>	13,597
Increase in trust receipt loans, secured	<b>4,622</b>	1,326
Net cash inflow/(outflow) from financing activities	<b>(12,130)</b>	13,088
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(313)</b>	(3,078)
Cash and cash equivalents at beginning of year	<b>8,798</b>	11,592
Effect of foreign exchange rate changes, net	<b>341</b>	284
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>8,826</b>	8,798
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	<b>8,826</b>	8,798