

Consolidated Cash Flow Statement

for the year ended 31 March 2003 (Expressed in Hong Kong dollars)

	Note	2003 \$	2002 \$
Operating activities			
Profit from ordinary activities before taxation		18,356,475	31,978,547
Adjustments for:			
– Interest income		(610,907)	(357,358)
– Other borrowing costs		22,821	39,836
– Interest element of finance lease rentals paid		138,687	58,219
– Depreciation		1,175,512	1,198,650
– Loss/(gain) on disposal of fixed assets		119,040	(40,192)
Operating profit before changes in working capital		19,201,628	32,877,702
(Increase)/decrease in inventories		(5,200,419)	1,602,047
Decrease/(increase) in trade and other receivables		6,984,336	(13,343,631)
Increase in amounts due from prior shareholders		(500,000)	–
Decrease/(increase) in amounts due from directors		18,626,805	(13,218,863)
Decrease in bills payable		–	(105,866)
Increase/(decrease) in trade and other payables		2,053,953	(2,409,900)
Cash generated from operating activities		41,166,303	5,401,489
Tax paid			
– Hong Kong profits tax paid		(7,868,893)	(3,668,699)
Net cash from operating activities		33,297,410	1,732,790
Investing activities			
Decrease/(increase) in pledged deposits at banks		138,622	(4,062,947)
Payment for purchase of fixed assets		(1,781,875)	(696,963)
Interest received		610,907	357,358
Proceeds from sales of fixed assets		1,646,399	64,999
Net cash generated from/(used in) investing activities		614,053	(4,337,553)
Financing activities			
Interest element of finance lease rentals paid		(138,687)	(58,219)
Other borrowing costs paid		(22,821)	(39,836)
Capital element of finance lease rentals paid		(1,660,902)	(219,500)
Capital contribution from shareholders		200,018	–
Proceeds from shares issued under Placing and Public Offer		51,000,000	–
Payment of listing costs		(12,279,674)	–
Dividends paid		(24,000,000)	–
Net cash generated from/(used in) financing activities		13,097,934	(317,555)
Net increase/(decrease) in cash and cash equivalents		47,009,397	(2,922,318)
Cash and cash equivalents at 1 April		11,322,812	14,245,130
Cash and cash equivalents at 31 March	18	58,332,209	11,322,812

The notes on pages 30 to 60 form part of these financial statements.