

# Consolidated Cash Flow Statement

Year ended 31 March 2003

	<i>Notes</i>	<b>2003</b> <b>HK\$'000</b>	2002 HK\$'000 (Restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit/(loss) before tax		<b>17,298</b>	(52,198)
Adjustments for:			
Share of profits less losses of associates		<b>1,204</b>	(718)
Amortisation of goodwill on acquisition of an associate		<b>240</b>	–
Finance costs	8	<b>10,125</b>	13,881
Interest income	7	<b>(492)</b>	(1,065)
Dividend income received from a long term investment	7	<b>(657)</b>	–
(Gain)/loss on disposal of fixed assets	7	<b>(578)</b>	125
Loss on deemed disposal of partial interest in an associate	7	<b>–</b>	948
Depreciation	7	<b>11,868</b>	11,994
Unrealised holding (gain)/loss on short term investment	7	<b>495</b>	(468)
Impairment of interest in an associate	7	<b>386</b>	–
Amortisation of intangible assets	7	<b>310</b>	–
Impairment of other assets	7	<b>441</b>	–
Provision for bad and doubtful debts	7	<b>1,760</b>	9,956
Impairment of a long term investment	7	<b>975</b>	–
Impairment of fixed assets	15	<b>553</b>	8,315
Impairment of goodwill	18	<b>958</b>	20,307
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Operating profit before working capital changes		<b>44,886</b>	11,077
Increase in other assets		<b>(269)</b>	–
Decrease/(increase) in inventories		<b>(63,167)</b>	43,034
Increase in accounts receivable		<b>(7,275)</b>	(40,673)
Decrease/(increase) in prepayments, deposits and other receivables		<b>1,637</b>	(1,628)
Increase in accounts payable and accrued expenses		<b>29,696</b>	25,408
Decrease in other long term payable		<b>(15)</b>	(34)
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Cash generated from operations		<b>5,493</b>	37,184
Hong Kong profits tax paid		<b>(24)</b>	(3,118)
Overseas tax paid		<b>(103)</b>	(1,117)
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Net cash inflow from operating activities – Page 21		<b>5,366</b>	32,949
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Net cash inflow from operating activities – Page 20		<b>5,366</b>	32,949
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received	7	<b>492</b>	1,065
Purchases of fixed assets		<b>(3,727)</b>	(4,089)
Capital contribution to an interest in an associate		<b>(1,250)</b>	(1,000)
Acquisition of a long term investment		–	(1,950)
Additions to intangible assets	16	<b>(1,091)</b>	(2,250)
Repayment of loan to an investee company		<b>12,000</b>	3,000
Repayment of an advance to an associate		–	15,766
Proceeds from disposal of fixed assets		<b>874</b>	528
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Net cash inflow from investing activities		<b>7,298</b>	11,070
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<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of share capital	31	<b>32,328</b>	–
Share issue expenses	31	<b>(1,948)</b>	–
New bank loans		<b>12,000</b>	–
Repayment of bank loans		<b>(10,000)</b>	(6,286)
Capital element of finance lease rental payments		<b>(5,181)</b>	(3,551)
Interest paid		<b>(10,125)</b>	(13,881)
Dividend paid		<b>(3,615)</b>	–
Increase/(decrease) in import and trust receipt loans		<b>7,132</b>	(13,259)
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Net cash inflow/(outflow) from financing activities		<b>20,591</b>	(36,977)
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<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>33,255</b>	7,042
Cash and cash equivalents at beginning of year		<b>30,672</b>	23,809
Exchange realignments, net		<b>176</b>	(179)
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<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>64,103</b>	30,672
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<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances	25	<b>64,103</b>	28,626
Non-pledged time deposits with original maturity of less than three months when acquired	25	–	2,046
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		<b>64,103</b>	30,672
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