

Consolidated Cash Flow Statement

Year ended 31 March 2003

	Notes	2003 HK\$'000	2002 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		82,404	118,514
Adjustments for:			
Finance costs	8	255	1,365
Share of profits less losses of associates		2,028	1,336
Interest income	6	(1,476)	(2,876)
Depreciation	6	29,800	26,876
Loss/(gain) on disposal of fixed assets	6	411	(5)
Amortisation of deferred development costs	6	6,957	6,877
Goodwill amortisation	6	2,326	400
Negative goodwill recognised as income	6	(1,011)	(338)
Deficit on revaluation of leasehold land and buildings	6	3,621	2,232
Net unrealised holding losses on short term investments	6	534	524
Gain on disposal of short term investments	6	(161)	(244)
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Operating profit before working capital changes		125,688	154,661
Decrease/(increase) in inventories		(49,891)	28,190
Increase in accounts receivable		(17,960)	(3,261)
Increase in prepayments, deposits and other receivables		(2,665)	(1,006)
Decrease/(increase) in amounts due from associates		(59)	270
Increase/(decrease) in accounts and bills payable, accrued liabilities and other payables		20,128	(9,243)
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Cash generated from operations		75,241	169,611
Interest received		1,476	2,876
Interest paid		(255)	(1,365)
Hong Kong profits tax paid		(7,816)	(3,771)
Overseas income taxes paid		(700)	(445)
Dividends paid		(37,919)	(37,905)
Dividends paid to minority shareholders		(3,000)	–
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Net cash inflow from operating activities		27,027	129,001

Consolidated Cash Flow Statement (continued)

Year ended 31 March 2003

	Notes	2003 HK\$'000	2002 HK\$'000
Net cash inflow from operating activities		<u>27,027</u>	<u>129,001</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Decrease/(increase) in time deposits with original maturity of over three months		8,198	(8,198)
Purchases of fixed assets	13	(79,767)	(40,975)
Additions to deferred development costs	17	(7,829)	(6,530)
Investments in an associate		–	(5)
Proceeds from disposal of short term investments		3,009	12,139
Proceeds from disposal of fixed assets		800	101
Acquisition of additional interests in certain subsidiaries	27(a)	<u>(30,000)</u>	<u>(400)</u>
Net cash outflow from investing activities		<u>(105,589)</u>	<u>(43,868)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of new shares	24,25	18,681	30
Repayment of bank loan		<u>(700)</u>	<u>(25,000)</u>
Net cash inflow/(outflow) from financing activities		<u>17,981</u>	<u>(24,970)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(60,581)	60,163
Cash and cash equivalents at beginning of year		<u>140,031</u>	<u>79,868</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR		<u><u>79,450</u></u>	<u><u>140,031</u></u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances		26,106	20,551
Time deposits with original maturity of less than three months when acquired		59,307	119,480
Bank overdrafts, unsecured		<u>(5,963)</u>	<u>–</u>
		<u><u>79,450</u></u>	<u><u>140,031</u></u>