

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31st March 2003

	Notes	2003 HK\$'000	2002 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		32,901	23,993
Adjustments for:			
Interest income		(320)	(38)
Dividend income		(835)	(620)
Depreciation		1,651	1,049
Amortisation of deferred expenditure		75	–
Finance costs		1,715	1,793
Share of profit of an associate		(512)	(718)
Reversal of revaluation deficit		–	(33)
Operating profit before working capital changes		34,675	25,426
Increase in inventories		(7,420)	(461)
Increase in trade receivables		(576)	(3,064)
Increase in prepayments, deposits and other receivables		(1,122)	(74)
Decrease in balances with directors		(315)	(9,242)
Increase in trade payables		2,833	665
Increase in other payables and accrued expenses		2,478	1,149
Decrease in trade deposits received		(99)	(182)
Cash generated from operations		30,454	14,217
Interest and bank charges paid		(1,715)	(1,793)
Tax paid		(1,763)	(610)
Net cash inflow from operating activities		26,976	11,814
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		186	38
Dividend received from unlisted investments		835	620
Purchases of property, plant and equipment		(8,885)	(6,182)
Investment in an associate		(298)	(2,853)
Deposits and prepayments for investment in production plants	15	(18,200)	–
Deferred expenditure incurred		(1,500)	–
Proceeds from disposal of other investments		–	2,355
Net cash outflow from investing activities		(27,862)	(6,022)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital	27	36,000	–
Share issue expenses		(8,129)	–
Dividends paid	12	(13,000)	(9,500)
Capital element of finance lease rental payments		(99)	–
Proceeds from bank loans		2,876	–
Net cash inflow/(outflow) from financing activities		17,648	(9,500)

CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)
for the year ended 31st March 2003

Notes	2003 HK\$'000	2002 HK\$'000
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	16,762	(3,708)
Cash and cash equivalents at beginning of year	631	4,351
Effect on foreign exchange rate changes	(5)	(12)
CASH AND CASH EQUIVALENTS AT END OF YEAR	17,388	631
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	17,388	840
Bank overdrafts	-	(209)
	17,388	631

The accompanying notes form an integral part of these financial statements.