

**CONSOLIDATED CASH FLOW STATEMENT**

For the year ended 30 June 2003

	2003 HK\$'000	2002 HK\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	46,660	46,755
Adjustments for:		
Loss on disposals of subsidiaries (note 27(a))	4,895	–
Depreciation	2,439	2,108
Amortisation of intangible assets	1,125	–
Interest income	(691)	(714)
Interest expenses	2,027	1,076
Fixed assets written off	10	–
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Operating profit before working capital changes	56,465	49,225
Increase in trade and other receivables	(25,643)	(23,393)
Increase in inventories	(10,305)	(12,664)
Increase/(Decrease) in trade and other payables	2,807	(5,030)
Increase in import loans	19,157	21,036
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Cash generated from operations	42,481	29,174
Interest paid	(2,001)	(1,076)
Interest element of finance leases	(26)	–
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Net cash generated from operating activities	40,454	28,098
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<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of fixed assets	(6,546)	(8,758)
Decrease/(Increase) in pledged bank deposits	5,066	(2,066)
Deposit paid for investment	(14,151)	–
Cash paid to acquire intangible assets	(21,000)	–
Increase in construction in progress	(22,463)	–
Proceeds from disposals of subsidiaries (note 27(a))	4,506	–
Proceeds from disposals of fixed assets	69	–
Interest received	691	714
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Net cash used in investing activities	(53,828)	(10,110)
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**CONSOLIDATED CASH FLOW STATEMENT***For the year ended 30 June 2003*

	<b>2003</b> <b>HK\$'000</b>	2002 HK\$'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of share capital	<b>59,168</b>	40,000
Share issue expenses	<b>(2,643)</b>	(10,698)
Drawdown of bank loan	<b>15,000</b>	–
Repayment of capital element of finance leases	<b>(166)</b>	–
Dividends paid	<b>(11,010)</b>	(5,000)
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Net cash generated from financing activities	<b>60,349</b>	24,302
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<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>46,975</b>	42,290
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<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>54,411</b>	12,121
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<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<b>101,386</b>	54,411
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<b>ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS</b>		
Bank and cash balances	<b>101,386</b>	55,420
Bank overdrafts	<b>–</b>	(1,009)
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	<b>101,386</b>	54,411
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