

	2004 HK\$'000	2003 HK\$'000
Operating activities		
Profit before taxation	80,207	77,576
Adjustments for:		
Interest income	(963)	(1,681)
Interest expenses	1,175	1,603
Depreciation and amortisation of property, plant and equipment	4,772	3,940
Loss on disposal of property, plant and equipment	1	661
Gain on disposal of investment properties	(2,000)	—
Deficit arising on revaluation of investment properties	—	1,500
Release of negative goodwill	(202)	(202)
Amortisation of premium on acquisition of held-to-maturity securities	54	54
Amortisation of discount on acquisition of held-to-maturity securities	—	(4)
Unrealised (gain) losses on trading securities	(248)	607
Allowance for inventories	2,000	—
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Operating cash flows before movements in working capital	84,796	84,054
Decrease (increase) in inventories	16,123	(40,906)
Decrease (increase) in trade and other receivables	735	(16,019)
Increase in trade and other payables	29,452	13,526
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Cash from operations	131,106	40,655
Hong Kong Profits Tax paid	(15,002)	(9,691)
Mainland China income tax paid	(822)	(403)
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Net cash from operating activities	115,282	30,561
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Investing activities		
Interest received	963	1,681
Proceeds from disposal of investment properties	14,000	—
Proceeds from disposal of property, plant and equipment	5	—
Purchase of property, plant and equipment	(8,010)	(2,723)
Purchase of an associate	(4,000)	—
Purchase of investment securities	(3,000)	—
Proceeds from disposal of held-to-maturity securities	—	5,000
Decrease in pledged bank deposits	6,400	12,750
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Net cash from investing activities	6,358	16,708
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	2004 HK\$'000	2003 <i>HK\$'000</i>
Financing activities		
Interest paid	(1,175)	(1,603)
Dividends paid	(15,139)	(17,891)
Short-term bank loans raised	33,962	28,773
Repayment of short-term bank loans	(36,509)	(24,245)
Repayment of obligations under a finance lease	(78)	(141)
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Net cash used in financing activities	(18,939)	(15,107)
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Increase in cash and cash equivalents	102,701	32,162
Cash and cash equivalents at 1 April	99,035	66,873
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Cash and cash equivalents at 31 March	201,736	99,035
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Analysis of the balances of cash and cash equivalents		
Bank balances and cash	202,301	101,069
Bank overdrafts	(565)	(2,034)
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	201,736	99,035
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