

Consolidated Cash Flow Statement

Period from 1 April 2002 to 31 December 2002

	<i>Notes</i>	Period from 1 April 2002 to 31 December 2002 HK\$'000	Year ended 31 March 2002 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		118,735	140,487
Adjustments for:			
Finance costs	7	46,541	44,105
Interest income	5	(32,704)	(39,482)
Dividend income from investments	5	(245)	(96)
Depreciation	6	61,544	69,765
Amortisation of goodwill	6	8,728	6,441
Amortisation of intangible assets	6	7,313	1,750
Unrealised loss on revaluation of long and short term listed investments	6	—	20
Gain on disposal of short term listed investment	5	(2)	—
Loss/(gain) on disposal of fixed assets	6	1,404	(701)
Loss on disposal of intangible assets	6	926	2,773
Gain on disposal of subsidiaries	5, 36(d)	(12,897)	—
Operating profit before working capital changes		199,343	225,062
Decrease/(increase) in inventories		(54,308)	9,465
Increase in amount due from the ultimate holding company		(14,085)	(12,750)
Decrease/(increase) in prepayments for frame board space		10,143	(63,578)
Increase in amount due from a PRC subcontractor		(75,579)	(66,782)
Decrease/(increase) in promissory notes		35,657	(13,715)
Decrease in staff loans		—	1,430
Increase in other debtors and prepayments		(54,132)	(11,619)
Decrease in trade debtors and bills receivable		15,364	86,624
Decrease in short term loans		—	67,860
Increase/(decrease) in trade creditors and bills payable		6,841	(36,377)
Increase/(decrease) in other creditors and accruals		11,213	(44,108)
Increase/(decrease) in amounts due to related companies		(1,294)	3,275
Increase/(decrease) in provision for post-employment benefits		(2,395)	821
Increase/(decrease) in provision for restructuring		(8,343)	6,810
Cash generated from operations		68,425	152,418
Interest paid		(42,953)	(36,600)
Interest element on finance lease and hire purchase rental payments		(1,848)	(1,288)
Interest on convertible notes		(1,740)	(6,217)
Hong Kong profits tax paid		(3,751)	(34,252)
Overseas tax paid		(1,958)	(6,842)
Net cash inflow from operating activities		16,175	67,219

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	<i>Notes</i>	Period from 1 April 2002 to 31 December 2002 HK\$'000	Year ended 31 March 2002 HK\$'000
Net cash inflow from operating activities — page 36		16,175	67,219
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		32,704	39,482
Dividend received from investment		245	96
Purchases of fixed assets		(96,904)	(32,346)
Proceeds from disposal of fixed assets		13,489	2,838
Purchases of intangible assets	15	(11,136)	(5,881)
Acquisition of subsidiaries	36(c)	—	(83,896)
Acquisition of minority interests		(8,913)	—
Disposal of subsidiaries	36(d)	17,623	—
Purchases of unlisted investments		(3,708)	—
Proceeds from disposal of listed investments		359	84
Net cash outflow from investing activities		<u>(56,241)</u>	<u>(79,623)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repurchase of own shares	33	(5,930)	(24,930)
Share options exercised	33	8,118	—
Capital injection from minority shareholders of a subsidiary		14,618	—
Net increase in bank loans		140,641	102,575
Increase in amount due to a minority shareholder of a subsidiary		4,086	—
Sale and lease back arrangement		8,828	—
Capital element of finance lease and hire purchase rental payments		(19,201)	(7,182)
Redemption of convertible note	30	(101,400)	—
Dividends paid	12	(30,248)	(48,851)
Net cash inflow from financing activities		<u>19,512</u>	<u>21,612</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(20,554)	9,208
Cash and cash equivalents at beginning of period/year		278,483	269,064
Effect of foreign exchange rate changes, net		(16,796)	211
CASH AND CASH EQUIVALENTS AT END OF PERIOD/YEAR		<u><u>241,133</u></u>	<u><u>278,483</u></u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	25	122,637	66,410
Non-pledged time deposits with original maturity of less than three months when acquired	25	227,169	311,488
Bank overdrafts	27	(108,673)	(99,415)
		<u><u>241,133</u></u>	<u><u>278,483</u></u>