

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st March, 2005

	2005 HK\$'000	2004 HK\$'000
Operating activities		
Loss from operations	(27,386)	(4,375)
Adjustments for:		
(Write back of) provision for long service payments	(88)	35
Interest income	(228)	(243)
Allowance on inventories	4,076	–
Amortisation of intangible asset	–	440
Impairment loss on property, plant and equipment	836	–
(Gain) loss on disposal of property, plant and equipment	(8)	27
Depreciation and amortisation of property, plant and equipment	13,359	8,780
Exchange realignment	(83)	(1,242)
Operating cash flows before movement in working capital	(9,522)	3,422
(Increase) decrease in inventories	(8,084)	2,650
Decrease in trade debtors	598	8,374
Decrease (increase) in other debtors, prepayments and deposits	11,016	(5,414)
(Increase) decrease in amount due from an associate	(224)	2,483
Increase (decrease) in trade creditors	3,751	(2,145)
Increase (decrease) in bills payable	906	(396)
Increase (decrease) in other creditors and accrued charges	747	(1,889)
Cash (used in) generated from operations	(812)	7,085
Interest income	228	243
Hong Kong Profits Tax refunded (paid)	3	(6)
Net cash (used in) generated from operating activities	(581)	7,322
Investing activities		
Purchase of property, plant and equipment	(29,048)	(9,828)
Proceeds from disposal of property, plant and equipment	26	246
Net cash used in investing activities	(29,022)	(9,582)
Financing activities		
New bank borrowings raised	179,775	58,524
Repayments of bank borrowings	(153,075)	(56,993)
Interest paid	(2,233)	(469)
Repayment of obligations under finance leases	(1,259)	(41)
Net cash generated from financing activities	23,208	1,021
Net decrease in cash and cash equivalents	(6,395)	(1,239)
Cash and cash equivalents at beginning of the year	15,712	16,951
Cash and cash equivalents at end of the year, represented by bank balances and cash	9,317	15,712