



CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 March 2005
(Expressed in Hong Kong dollars)

Note	2005 \$'000	2004 \$'000
Operating activities		
Profit/(loss) from ordinary activities before taxation	6,894	(5,414)
Adjustments for:		
– Depreciation	2,835	2,395
– Amortisation of lease prepayment	14	–
– Finance costs	880	1,229
– Interest income	(588)	(273)
– (Gain)/loss on disposal of fixed assets	(27)	56
– Gain on disposal of an associate	–	(727)
– Surplus on revaluation of investment properties and leasehold land and buildings	(3,119)	(86)
Foreign exchange gain	–	(9)
Operating profit/(loss) before changes in working capital	6,889	(2,829)
Increase in trading securities	(364)	–
Decrease in inventories	3,336	1,558
Decrease in accounts and bills receivable	26,338	41,032
Decrease/(increase) in finance lease receivable	105	(314)
(Increase)/decrease in prepayments, deposits and other receivables	(5,225)	8,917
Decrease in amount due from a related company	191	293
(Decrease)/increase in accounts and bills payable	(30,731)	13,751
Increase/(decrease) in deposits, other payables and accrued charges	1,495	(7,031)
(Decrease)/increase in provision for warranties	(141)	133
Cash generated from operations	1,893	55,510
Tax paid		
– Hong Kong Profits Tax refunded/(paid)	37	(1,019)
– The People's Republic of China ("PRC") tax paid	(61)	(55)
	(24)	(1,074)

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for the year ended 31 March 2005
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Note	2005 \$'000	2004 \$'000
Net cash generated from operating activities	1,869	54,436
Investing activities		
Payment for land use right	(704)	–
Payment for purchase of fixed assets	(3,602)	(2,722)
Proceeds from disposal of fixed assets	262	213
Proceeds from disposal of an associate	–	4,800
Decrease in pledged bank deposits	4,742	1,892
Capital contribution from minority shareholders	–	500
Interest received	588	273
Net cash generated from investing activities	1,286	4,956
Financing activities		
Capital element of finance lease rentals paid	(324)	(372)
Proceeds from new bank loans	9,983	4,500
Repayment of bank loans	(776)	(19,768)
Interest paid	(841)	(1,196)
Interest element of finance lease rentals paid	(39)	(33)
Dividends paid	–	(2,800)
Net cash generated from/(used in) financing activities	8,003	(19,669)
Net increase in cash and cash equivalents	11,158	39,723
Cash and cash equivalents at 1 April	58,282	18,559
Cash and cash equivalents at 31 March	69,440	58,282

The notes on pages 28 to 66 form part of these financial statements.