

## Consolidated Cash Flow Statement

For the year ended 31st March, 2005

	NOTES	2005 HK\$'000	2004 HK\$'000
Operating activities			
Profit before taxation		23,670	15,244
Adjustments for:			
Interest income		(1,751)	(239)
Interest expenses		4,699	2,307
Depreciation and amortisation		10,173	13,651
Gain on disposal of property, plant and equipment		(61)	–
Loss on disposal of subsidiaries		–	227
Loss on disposal of discontinuing operations (Reversal of allowance) allowance for bad and doubtful debts		– (631)	2,434 3,980
Operating cash flows before movements in working capital		36,099	37,604
Decrease (increase) in inventories		5,290	(1,266)
Increase in trade and other receivables		(16,838)	(42,822)
Decrease in trade and other payables		(8,895)	(5,534)
Cash from (used in) operations		15,656	(12,018)
China income tax paid		(3,999)	–
Net cash from (used in) operating activities		11,657	(12,018)
Investing activities			
Interest received		1,751	239
Purchase of property, plant and equipment		(1,050)	(10,419)
Proceeds from disposal of property, plant and equipment		–	979
Purchase of intangible assets		(660)	–
Deposits paid for acquisition of property, plant and equipment		(1,305)	–
Deposit paid for investment in a subsidiary		(2,400)	–
Purchase of additional interests in subsidiaries		(29,479)	(84,800)
Purchase of subsidiaries (net of cash and cash equivalents acquired)	23	(114,426)	–
Proceeds from disposal of subsidiaries (net of cash and cash equivalents disposed of)	24	–	8,881
Net cash used in investing activities		(147,569)	(85,120)

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For the year ended 31st March, 2005

	<b>2005</b>	2004
	<b>HK\$'000</b>	HK\$'000
Financing activities		
Interest paid	<b>(4,605)</b>	(2,307)
Proceeds from issue of shares	<b>390,000</b>	180,000
Expenses incurred in connection with the issue of shares	<b>(7,280)</b>	(1,139)
Repayment of obligations under finance leases	–	(994)
Repayment of bonds	–	(61,175)
Repayment of other loans due within one year	–	(3,912)
Repayment of other short-term loans	–	(21,705)
New bank loans raised	<b>106,032</b>	37,700
Repayment of bank loans	<b>(101,319)</b>	(16,023)
Net cash from financing activities	<b>382,828</b>	110,445
Net increase in cash and cash equivalents	<b>246,916</b>	13,307
Cash and cash equivalents at 1st April,	<b>30,084</b>	16,777
Cash and cash equivalents at 31st March,	<b>277,000</b>	30,084
Analysis of the balances of cash and cash equivalents		
Bank balances and cash	<b>277,000</b>	30,084