

# CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2005

	Note	2005 HK\$'000	2004 HK\$'000
<b>Operating activities</b>			
Profit from ordinary activities before taxation		<b>152,253</b>	87,458
Adjustments for:			
Depreciation of property, plant and equipment		<b>64,590</b>	38,698
Amortization of goodwill		<b>9,074</b>	2,825
Impairment loss of goodwill		<b>12,575</b>	–
Amortization of intangible assets		<b>3,093</b>	4,380
Interest expenses		<b>27,439</b>	18,155
Interest income		<b>(8,590)</b>	(4,761)
Loss on disposal of a jointly controlled entity		–	1,764
Share of loss of a jointly controlled entity		<b>929</b>	2,998
Share of loss (profit) of an associate		<b>357</b>	(321)
Loss on disposal of property, plant and equipment		<b>56</b>	4,046
Realized gain on disposal of other investments		–	(600)
Operating profit before changes in working capital		<b>261,776</b>	154,642
Increase in inventories		<b>(172,174)</b>	(60,861)
Decrease (Increase) in trade and other receivables		<b>20,473</b>	(87,064)
Increase in trade and other payables		<b>51,995</b>	48,861
Increase in trust receipt loans		<b>15,227</b>	48,430
Cash generated from operations		<b>177,297</b>	104,008
Profits tax paid		<b>(6,403)</b>	(7,509)
<b>Net cash inflow from operating activities</b>		<b>170,894</b>	96,499
<b>Investing activities</b>			
Payment for purchase of property, plant and equipment		<b>(120,498)</b>	(68,861)
Proceeds from disposal of property, plant and equipment		<b>146</b>	248
Payment for acquisition of investment securities		<b>(500)</b>	(15,600)
Movement in amount due from a jointly controlled entity		<b>(5,647)</b>	(6,149)
Movement in amount due from an associate		<b>(1,705)</b>	6,338
Payment for purchase of subsidiaries, net of cash acquired	32	<b>(145,761)</b>	(52,890)
Payment for acquisition of other investments		–	(6,376)
Proceeds from disposal of other investments		–	6,768
Increase investment from minority shareholders		<b>3,164</b>	278
Exchange realignment		<b>511</b>	841
Interest received		<b>8,590</b>	4,761
<b>Net cash outflow from investing activities</b>		<b>(261,700)</b>	(130,642)

	Note	2005 HK\$'000	2004 HK\$'000
<b>Financing activities</b>			
Capital element of finance lease rentals paid		(3,461)	(2,141)
Interest element of finance lease rentals paid		(437)	(1,417)
Proceeds from subscription of new shares		206,059	–
Premium paid on repurchase of shares		(930)	–
Proceeds from shares issued under share option scheme		–	424
Proceeds from exercise of warrants		28,142	28,011
Nominal value of shares repurchased		(80)	–
Proceeds from bank loans		344,885	202,949
Repayment of bank loans		(195,262)	(89,208)
Proceeds from syndicated loan		–	380,000
Repayment of syndicated loan		(38,000)	(200,000)
Interest paid		(27,002)	(17,694)
2003 final dividend paid		–	(3,225)
Interim dividend paid		(18,574)	(3,609)
2004 final dividend paid		(5,858)	–
<b>Net cash inflow from financing activities</b>		<b>289,482</b>	294,090
<b>Net increase in cash and cash equivalents</b>		<b>198,676</b>	259,947
<b>Cash and cash equivalents at the beginning of the year</b>		<b>467,491</b>	207,544
<b>Cash and cash equivalents at the end of the year</b>		<b>666,167</b>	467,491

The notes on pages 20 to 54 form part of these financial statements.