

Consolidated Cash Flow Statement

Year ended 31 March 2006

	Notes	2006 HK\$'000	2005 HK\$'000 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) before tax		130,175	(14,265)
Adjustments for:			
Bank interest income	4	(220)	(25)
Loss/(gain) on disposal of items of property, plant and equipment	6	(2,771)	19
Depreciation	6	38,305	33,256
Recognition of prepaid land lease payments	14	116	115
Finance costs	8	2,560	1,472
Operating profit before working capital changes		168,165	20,572
Decrease in inventories		773	2,049
Increase in trade debtors		(72,002)	(28,367)
Decrease/(increase) in sundry debtors, prepayments and deposits		(6,037)	3,392
Increase in trade creditors		37,208	8,141
Increase in other creditors and accruals		56,902	8,657
Cash generated from operations		185,009	14,444
Interest received		220	25
Interest paid		(1,228)	(1,351)
Interest element on finance lease and hire purchase rental payments		(1,329)	(125)
Overseas profits tax paid		(5,434)	-
Net cash inflow from operating activities		177,238	12,993
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of items of property, plant and equipment		(86,649)	(10,227)
Deposits paid for acquisition of items of property, plant and equipment		(19,270)	-
Proceeds from disposal of items of property, plant and equipment		2,773	83
Net cash outflow from investing activities		(103,146)	(10,144)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from the issue of ordinary shares	24	1,150	-
Increase/(decrease) in trust receipt loans		(11,793)	92
Capital element of finance lease and hire purchase rental payments		(12,055)	(5,955)
New bank loans		10,000	28,401
Repayment of bank loans		(15,516)	(25,634)
Net cash outflow from financing activities		(28,214)	(3,096)

Consolidated Cash Flow Statement (Continued)

Year ended 31 March 2006

	2006 HK\$'000	2005 HK\$'000
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	45,878	(247)
Cash and cash equivalents at beginning of year	7,169	7,376
Effect of foreign exchange rate changes, net	308	40
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>53,355</u>	<u>7,169</u>
ANALYSIS OF BALANCE OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	<u>53,355</u>	<u>7,169</u>