Consolidated Cash Flow Statement

For the year ended 31 March 2006

	Note	2006 HK$'000	2005 HK$'000 (Restated)
Cash flows from operating activities			
Profit before tax		**4,748**	62,760
Adjustments for:			
Depreciation of property, plant and equipment		**12,111**	12,111
Amortisation of interests in leasehold land held for own use under operating leases		**71**	44
Interest income		**(1,205)**	(117)
Interest expenses		**5,728**	3,912
Share-based payment expenses		**1,000**	–
Operating profit before working capital changes		**22,453**	78,710
Decrease/(increase) in inventories		**6,674**	(8,759)
Increase in trade and bills receivables		**(22,483)**	(15,032)
Decrease/(increase) in deposits, prepayments and other receivables		**4,138**	(7,107)
Increase in balances with a related company		**–**	(1,614)
(Decrease)/increase in trade and bills payables		**(9,007)**	13,326
(Decrease)/increase in accruals and other payables		**(159)**	1,767
Cash generated from operations		**1,616**	61,291
Interest expenses		**(5,728)**	(3,912)
Income tax paid		**(4,628)**	(3,694)
Net cash (used in)/generated from operating activities		**(8,740)**	53,685
Cash flows from investing activities			
Purchase of property, plant and equipment		**(13,149)**	(11,702)
Decrease/(increase) in pledged bank deposits		**6,051**	(8)
Net cash inflow in respect of purchase of subsidiaries		**–**	4,618
Interest received		**1,205**	117
Net cash used in investing activities		**(5,893)**	(6,975)
Cash flows from financing activities			
Increase in amounts due from directors		**–**	(24,940)
Proceed from issue of shares		**55,000**	27
Share issue expenses		**(18,383)**	–
(Decrease)/increase in trust receipt loans		**(13,665)**	24,813
(Repayment of)/proceeds from bank loans		**(3,150)**	3,130
Increase in bank advances for discounted bills		**18,534**	–
Repayment of finance lease liabilities		**(1,001)**	(2,584)
Dividend paid		**(36,489)**	–
Net cash from financing activities		**846**	446
Net (decrease)/increase in cash and cash equivalents		**(13,787)**	47,156
Cash and cash equivalents at beginning of year		**77,176**	30,020
Effect of foreign exchange rate change		**(55)**	–
Cash and cash equivalents at end of year	20(a)	**63,334**	77,176