

> CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 March, 2006

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	2006 HK\$	2005 HK\$ (restated)
OPERATING ACTIVITIES		
Profit before taxation	63,968,799	61,723,385
Adjustments for:		
Allowance for bad and doubtful debts	2,040,843	577,699
Write-down of inventories	1,759,146	–
Depreciation and amortisation	37,362,076	35,872,854
Release of prepaid lease payments	88,610	88,610
Gain on disposal of property, plant and equipment	–	(54,800)
Interest expenses	767,407	362,585
Interest income	(2,129,375)	(2,059,324)
Net unrealised holding gain on other investments	–	(245,504)
Change in fair value of investments held for trading	(1,054,371)	–
Operating cash flows before movements in working capital	102,803,135	96,265,505
Increase in inventories	(474,538)	(14,928,365)
Increase in trade and other receivables	(19,866,551)	(29,897,698)
Increase in trade and other payables	10,776,509	9,160,368
Cash generated from operations	93,238,555	60,599,810
Hong Kong Profits Tax paid	(5,781,030)	(5,889,601)
Overseas tax paid	(759,890)	(462,762)
NET CASH FROM OPERATING ACTIVITIES	86,697,635	54,247,447
INVESTING ACTIVITIES		
Deposits paid for acquisition of land use right	(30,000,000)	–
Interest received	2,129,375	2,059,324
Purchase of property, plant and equipment	(11,750,469)	(32,849,944)
Purchase of investments in securities	–	(19,511,584)
Purchase of investments held for trading	(7,823,150)	–
Proceeds from disposal of property, plant and equipment	–	54,800
NET CASH USED IN INVESTING ACTIVITIES	(47,444,244)	(50,247,404)
FINANCING ACTIVITIES		
Dividends paid	(29,240,401)	(29,240,401)
Repayment of bank import loans	(79,371,766)	(43,916,152)
Interest paid	(767,407)	(362,585)
Increase of bank import loans	68,488,571	50,940,308
NET CASH USED IN FINANCING	(40,891,003)	(22,578,830)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,637,612)	(18,578,787)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	86,163,041	104,741,828
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	3,238,271	–
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	87,763,700	86,163,041
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Short-term bank deposits	59,072,375	57,751,200
Bank balances and cash	28,691,325	28,411,841
	87,763,700	86,163,041