

# Consolidated Cash Flow Statement

(For the year ended 31st March, 2006)

	<b>2006</b> <b>HK\$'000</b>	2005 <i>HK\$'000</i>
<b>Operating activities</b>		
Profit before tax	<b>45,742</b>	43,791
Adjustments for:		
Interest income	<b>(1,673)</b>	(392)
Depreciation of property, plant and equipment	<b>3,024</b>	2,217
Loss on disposal of property, plant and equipment	<b>128</b>	562
Unrealised holding gain on other investment	-	(217)
Gain on disposal of other investment	-	(130)
Gain on disposal of financial asset at fair value through profit or loss	<b>(241)</b>	-
<b>Operating profit before working capital changes</b>	<b>46,980</b>	45,831
Increase in inventories	<b>(24,860)</b>	(13,218)
(Increase)/decrease in trade and bills receivables	<b>(3,021)</b>	1,202
Increase in other receivables, deposits and prepayments	<b>(1,609)</b>	(1,949)
(Decrease)/increase in trade and bills payables	<b>(2,403)</b>	3,090
Increase in other payables and accrued charges	<b>2,912</b>	2,792
<b>Cash generated from operations</b>	<b>17,999</b>	37,748
Hong Kong Profits Tax paid	<b>(3,429)</b>	(2,658)
Overseas tax paid	<b>(186)</b>	-
<b>Net cash from operating activities</b>	<b>14,384</b>	35,090
<b>Investing activities</b>		
Acquisition of property, plant and equipment	<b>(4,609)</b>	(5,000)
Interest received	<b>1,673</b>	392
Proceeds from disposal of other investment	-	4,125
Proceeds from disposal of financial asset at fair value through profit or loss	<b>4,403</b>	-
<b>Net cash from/(used in) investing activities</b>	<b>1,467</b>	(483)
<b>Net cash used in financing activities</b>		
Dividends paid	<b>(14,651)</b>	(12,103)
<b>Net increase in cash and cash equivalents</b>	<b>1,200</b>	22,504
<b>Cash and cash equivalents at beginning of year</b>	<b>89,597</b>	67,093
<b>Effect of foreign exchange rate changes</b>	<b>202</b>	-
<b>Cash and cash equivalents at end of year, representing bank balances and cash</b>	<b>90,999</b>	89,597