

Consolidated Cash Flow Statement

For the year ended 31st March, 2006

33

	2006 HK\$'000	2005 HK\$'000
Operating activities		
Profit before taxation	79,369	88,508
Adjustments for:		
Interest income	(1,443)	(1,046)
Interest expenses	5,343	2,435
Depreciation of investment properties	400	200
Depreciation of property, plant and equipment	10,034	6,093
Loss on disposal of property, plant and equipment	1,040	6
Gain arising from changes in fair value of conversion option derivative	(2,374)	—
Imputed interest income from convertible notes receivables	(23)	—
Gain on disposal of available-for-sale financial assets	(221)	—
Release of negative goodwill	—	(202)
Amortisation of premium on acquisition of held-to-maturity securities	—	54
Unrealised gain on listed trading securities	—	(120)
Operating cash flows before movements in working capital	92,125	95,928
Increase in inventories	(129,862)	(114,334)
Increase in trade and other receivables	(29,838)	(35,025)
Increase in trade and other payables	4,191	10,290
Cash used in operations	(63,384)	(43,141)
Taxation paid	(18,587)	(10,205)
Net cash used in operating activities	(81,971)	(53,346)
Investing activities		
Interest received	1,443	1,046
Purchase of investment properties	—	(25,457)
Purchase of property, plant and equipment	(14,079)	(9,620)
Proceeds from disposal of property, plant and equipment	—	115
Purchase of convertible notes receivables	(2,000)	—
Purchase of available-for-sale financial assets	(44,486)	—
Proceeds from disposal of available-for-sale financial assets	12,574	—
Purchase of investment securities	—	(12,526)
Decrease in pledged bank deposits	3,150	—
Net cash used in investing activities	(43,398)	(46,442)

Consolidated Cash Flow Statement

For the year ended 31st March, 2006

	2006 <i>HK\$'000</i>	2005 <i>HK\$'000</i>
Financing activities		
Interest paid	(5,343)	(2,435)
Dividends paid	(19,267)	(16,515)
Bank loans raised	280,788	130,283
Repayment of bank loans	(177,385)	(68,740)
Repayment of obligations under a finance lease	—	(46)
Net cash from financing activities	78,793	42,547
Net decrease in cash and cash equivalents	(46,576)	(57,241)
Cash and cash equivalents at 1st April	144,495	201,736
Effect of foreign currency rate changes	462	—
Cash and cash equivalents at 31st March	98,381	144,495
Analysis of the balances of cash and cash equivalents		
Bank balances and cash	102,281	147,027
Bank overdrafts	(3,900)	(2,532)
	98,381	144,495