

Consolidated Cash Flow Statement

(Year ended 31 March 2006)

	Notes	2006 HK\$'000	2005 HK\$'000 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		33,804	40,513
Adjustments for:			
Finance costs	7	2,840	296
Share of profits and losses of associates		(283)	572
Interest income	5	(1,436)	(3,927)
Dividend income from listed investments	5	(11)	(16)
Loss on disposal of items of property, plant and equipment	6	56	1,838
Fair value gains, net:			
Equity investments at fair value through profit or loss/ short term investments	6	(36)	(37)
Gain on disposal of short term investments	6	-	(23)
Depreciation	6	32,025	26,189
Changes in fair value of investment properties	6	3,813	(646)
Recognition of prepaid land lease payments	15	1,125	1,005
Provision/(reversal of provision) for bad and doubtful debts, net	6	(4,782)	725
Provision for inventory obsolescence	6	1,179	1,363
Write-back of provision for impairment of buildings	6	(552)	-
Write-back of provision for impairment of prepaid land lease payments	6	(2,920)	-
Operating profit before working capital changes		64,822	67,852
Decrease/(increase) in inventories		(24,590)	1,701
Increase in trade and bills receivables		(24,628)	(23,190)
Decrease/(increase) in prepayments, deposits and other receivables		3,405	(3,411)
Increase in trade and bills payables		9,191	4,175
Increase/(decrease) in other payables and accrued liabilities		(2,537)	5,730
Decrease in the amount due to an associate		(900)	-
Cash generated from operations		24,763	52,857
Interest paid		(2,816)	(296)
Interest element on finance lease rental payments		(24)	-
Hong Kong profits tax paid		(4,389)	(384)
Net cash inflow from operating activities		17,534	52,177

Consolidated Cash Flow Statement (continued)

(Year ended 31 March 2006)

	Notes	2006 HK\$'000	2005 HK\$'000 (Restated)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		1,436	3,927
Dividend received from listed investments		11	16
Purchases of items of property, plant and equipment		(40,930)	(48,272)
Additions to prepaid land lease payments	15	(1,056)	(3,406)
Proceeds from disposal of items of property, plant and equipment		2,480	7,780
Increase in advances to an associate		(543)	(2,003)
Proceeds from disposal of short term investments		-	303
Deposit paid for a land use right		-	(2,838)
Investments in time deposits		-	(93,444)
Net cash outflow from investing activities		(38,602)	(137,937)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of bank loans		(5,333)	(2,000)
New bank loans		40,600	37,000
Capital element of finance lease rental payments		(448)	-
Dividends paid		(24,273)	(32,365)
Net cash inflow from financing activities		10,546	2,635
NET DECREASE IN CASH AND CASH EQUIVALENTS		(10,522)	(83,125)
Cash and cash equivalents at beginning of year		40,930	124,055
Effect of foreign exchange rate changes, net		(23)	-
CASH AND CASH EQUIVALENTS AT END OF YEAR		30,385	40,930
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	24	30,385	40,930