

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st March, 2006

	2006 HK\$	2005 HK\$ (restated)
OPERATING ACTIVITIES		
Profit before taxation	16,194,270	12,278,545
Adjustments for:		
Finance costs	1,703,769	1,160,302
Impairment loss on receivables	1,332,671	1,603,127
Allowance for inventories	3,915	732,710
Amortisation of goodwill	–	1,083,387
Amortisation of prepaid lease payments	434,703	415,980
Depreciation of property, plant and equipment	2,359,997	2,476,672
Loss on winding up of subsidiaries	–	30,701
Loss (gain) on disposal of property, plant and equipment	29,732	(55,234)
Loss on disposal of investment property	47,758	–
Interest income	(1,075,957)	(41,328)
Impairment loss on goodwill	2,799,172	–
Loss (gain) on fair value changes on investment properties	21,177	(1,431,257)
Operating cash flows before movements in working capital	23,851,207	18,253,605
Increase in inventories	(239,981)	(1,705,078)
Increase in trade and bills receivables	(3,829,793)	(3,024,459)
Decrease in other receivables and prepayments	2,733,107	1,153,717
Increase in trade payables	4,540,135	89,251
Increase (decrease) in other payables and accrued charges	1,451,039	(1,025,630)
Cash generated from operations	28,505,714	13,741,406
Hong Kong Profits Tax paid	(1,404,944)	(4,319,544)
Hong Kong Profits Tax refunded	144,268	516,147
Taxation outside Hong Kong paid	(80,118)	(32,710)
NET CASH FROM OPERATING ACTIVITIES	27,164,920	9,905,299
INVESTING ACTIVITIES		
Purchase of investment properties	(5,535,600)	–
Purchase of property, plant and equipment	(1,316,623)	(1,295,066)
Deposit paid for acquisition of properties	–	(300,000)
Proceeds from disposal of investment properties	1,432,242	35,000,000
Proceeds from disposal of property, plant and equipment	16,258	231,870
Interest received	175,957	41,328
NET CASH (USED IN) FROM INVESTING ACTIVITIES	(5,227,766)	33,678,132

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For the year ended 31st March, 2006

	2006 HK\$	2005 <i>HK\$</i> (restated)
FINANCING ACTIVITIES		
New bank loans raised	12,505,999	16,803,738
Repayment of bank loans	(17,563,295)	(33,915,665)
Dividend paid	(4,236,841)	(3,835,241)
Interest paid	(1,703,769)	(1,160,302)
NET CASH USED IN FINANCING ACTIVITIES	(10,997,906)	(22,107,470)
NET INCREASE IN CASH AND CASH EQUIVALENTS	10,939,248	21,475,961
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	33,605,484	12,129,523
Effect of foreign exchange rate changes	74,666	–
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	44,619,398	33,605,484
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	44,735,963	34,566,264
Bank overdrafts	(116,565)	(960,780)
	44,619,398	33,605,484