

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st March, 2006

	2006 HK\$'000	2005 HK\$'000 (restated)
OPERATING ACTIVITIES		
Profit before taxation	78,075	18,157
Adjustments for:		
Depreciation	4,121	4,057
Loss on disposal of other property, plant and equipment	63	1,211
Amortisation of prepaid operating lease payments	609	382
Gain on disposal of leasehold land and buildings and investment properties	(68,843)	–
Amortisation of goodwill	–	214
Impairment losses recognised in respect of goodwill	3,601	3,645
Dividend income from unlisted investments	–	(312)
Dividend income from listed investments	(162)	–
Allowances for inventories	4,829	3,912
Deposits paid written off	3,725	–
Provision for impairment of trade debtors	9,025	557
Bad debts recovered	(190)	–
Bad debts written off	424	849
Net realised and unrealised gains and interest income on financial assets at fair value through profit or loss	(3,095)	–
Losses from dealing in foreign currency contracts, options and other derivative financial instruments	1,244	–
Interest income	(1,240)	(207)
Finance costs	1,048	748
Equity-settled share-based payment expenses	1,047	–
Operating cash inflows before movements in working capital	34,281	33,213
Increase in inventories	(10,431)	(3,716)
Increase in debtors, deposits and prepayments	(21,849)	(6,900)
(Increase)/decrease in amount due from related companies	(500)	809
Decrease in creditors and accrued charges	(3,016)	(6,561)
Exchange adjustments	39	(58)
Net cash (used in)/generated from operations	(1,476)	16,787

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	Note	2006 HK\$'000	2005 HK\$'000 (restated)
Interest received		1,240	207
Interest paid		(1,043)	(740)
Interest on obligations under finance leases		(5)	(8)
Tax paid:			
Hong Kong		(9,085)	(585)
Overseas		(275)	(132)
NET CASH (USED IN)/FROM OPERATING ACTIVITIES		(10,644)	15,529
INVESTING ACTIVITIES			
Deposits paid for acquisitions of properties		–	(11,398)
Purchase of leasehold land and buildings and investment properties		(61,708)	–
Purchase of other property, plant and equipment		(8,563)	(2,976)
Purchase of financial assets at fair value through profit and loss		(26,870)	–
Purchase of investments in securities		–	(998)
Other deposit received for disposal of leasehold land and buildings and investment properties		–	18,000
Net proceeds from disposal of leasehold land and buildings and investment properties		160,700	–
Proceeds from disposal of other property, plant and equipment		190	314
Dividend income from listed investments		162	–
Dividend income from unlisted investments		–	312
Net realised and unrealised gains and interest income on financial assets at fair value through profit or loss		3,095	–
Losses from dealing in foreign currency contracts, options and other derivative financial instruments		(1,244)	–
(Increase)/decrease in pledged bank deposits		(7,798)	280
Acquisition of a subsidiary	39	(5,045)	–
NET CASH FROM INVESTING ACTIVITIES		52,919	3,534

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FINANCING ACTIVITIES		
New bank loan obtained	30,000	–
Proceeds from issue of shares on exercise of share options	254	1,916
Dividend paid	(23,098)	(4,496)
Repayment of bank loans	(23,746)	(8,192)
Repayment of obligations under finance leases	(33)	(66)
	<u>(16,623)</u>	<u>(10,838)</u>
NET CASH USED IN FINANCING ACTIVITIES		
	25,652	8,225
NET INCREASE IN CASH AND CASH EQUIVALENTS		
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	40,651	32,417
Effect of foreign exchange rates changes	61	9
	<u>66,364</u>	<u>40,651</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR		
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	66,432	40,651
Bank overdrafts	(68)	–
	<u>66,364</u>	<u>40,651</u>