

# Consolidated Cash Flow Statement

For the year ended 31st March, 2007

	2007 HK\$'000	2006 HK\$'000 (restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	63,510	53,030
Adjustments for:		
Share of loss of an associate	10	48
Interest expenses	7,346	2,782
Dividend income from available-for-sale financial assets	(27)	(87)
Dividend income from financial assets at fair value through profit or loss	(3,672)	(2,739)
Interest income from investment in available-for-sale financial assets	(16,512)	(9,244)
Bank interest income	(584)	(1,168)
Other interest income	(42)	(1)
Fair value gain on investment properties	(3,280)	(4,530)
Reversal of revaluation deficit on buildings for own use previously recognised in income statement	-	(157)
Depreciation	483	606
Recognition of prepaid land lease payments	23	23
Reversal of revaluation deficit on property, plant and equipment previously recognised in income statement	(648)	-
Loss/(gain) on disposal of property, plant and equipment	44	(124)
Net realised gain on available-for-sale financial assets	(2,571)	(6,256)
Unrealised gain on investments in financial assets at fair value through profit or loss	(14,271)	(11,453)
Net realised and unrealised gain on derivative financial instruments	(3,995)	(162)
<b>Operating profit before working capital changes</b>	<b>25,814</b>	20,568
Decrease/(increase) in inventories	53,036	(13,923)
Increase in prepayments, deposits and other receivables	(2,146)	(1,002)
Decrease in trade receivables	1,254	607
Decrease/(increase) in financial assets at fair value through profit or loss	12,911	(11,463)
Decrease in trust receipt loans	(7,727)	(273)
(Decrease)/increase in trade payables	(2,990)	2,467
(Decrease)/increase in customers' deposits	(36,173)	15,074
Increase/(decrease) in other payables and accruals	1,043	(450)
<b>Cash from operations</b>	<b>45,022</b>	11,605
Interest paid	(7,346)	(2,782)
Hong Kong profits tax paid	(5,680)	(2,511)
<b>Net cash from operating activities</b>	<b>31,996</b>	6,312

# Consolidated Cash Flow Statement (continued)

For the year ended 31st March, 2007

	Note	2007 HK\$'000	2006 HK\$'000 (restated)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Dividend income from available-for-sale financial assets		27	87
Dividend income from financial assets at fair value through profit or loss		3,672	2,739
Interest income from investment in available-for-sale financial assets		16,512	9,244
Bank interest income		584	1,168
Other interest income		42	1
Net settlement of derivative financial instruments		1,096	-
Purchases of property, plant and equipment		(133)	(64)
Proceeds from disposal of property, plant and equipment		166	124
Purchases of investment properties		-	(2,090)
Acquisition of available-for-sale financial assets		(119,267)	(148,553)
Acquisition of an associate		-	(78)
Proceeds from disposal of available-for-sale financial assets		66,588	68,879
<b>Net cash used in investing activities</b>		<b>(30,713)</b>	<b>(68,543)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payment for repurchase of shares		(163)	-
Exercise of share options		-	2,294
Dividend paid		(18,872)	(19,481)
Capital element of finance lease rental payments		(10)	(15)
Acquisition of short-term bank loans		28,682	249,278
Repayment of other loans		-	(6,195)
Repayment of short-term bank loans		(5,766)	(208,411)
<b>Net cash from financing activities</b>		<b>3,871</b>	<b>17,470</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>5,154</b>	<b>(44,761)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>		<b>24,494</b>	<b>69,255</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>29,648</b>	<b>24,494</b>
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances	26	29,648	24,537
Bank overdraft, unsecured		-	(43)
		<b>29,648</b>	<b>24,494</b>