

Consolidated Cash Flow Statement

For the year ended 31 March 2006

	2006 HK\$'000	2005 HK\$'000
Operating activities		
Profit before taxation	61,700	63,268
Adjustments for:		
Interest income	(1,458)	(70)
Depreciation of property, plant and equipment	1,439	2,481
Loss on disposal of property, plant and equipment	430	–
Reversal of allowances for doubtful debts	(4,001)	–
Allowance for doubtful debts	823	–
Allowance for inventories	5,070	12,664
Operating cash flows before movements in working capital	64,003	78,343
Increase in inventories	(144,986)	(77,790)
Increase in trade and other receivables	(6,640)	(54,934)
Decrease in amount due from immediate holding company	–	4,459
Decrease (increase) in amounts due from fellow subsidiaries	17,526	(3,158)
Decrease in amounts due from associates of immediate holding company	1,486	467
Increase in trade and other payables	35,088	128,614
Decrease in amount due to a fellow subsidiary	(10)	(1,315)
Cash (used in) from operating activities	(33,533)	74,686
Hong Kong Profits Tax paid	(16,479)	(9,784)
Net cash (used in) from operating activities	(50,012)	64,902
Investing activities		
Interest received	1,458	70
Advance from (repayment to) associates of immediate holding company	309	(4)
Advance from fellow subsidiaries	94	2,944
Purchase of property, plant and equipment	(292)	(470)
Advance from immediate holding company	–	31,573
Net cash from investing activities	1,569	34,113
Financing activities		
Proceeds from new issue and placing of shares	110,160	–
Dividend paid	(30,000)	(100,000)
Expenses paid in connection with the issue of new shares	(10,014)	–
(Decrease) increase in amount due to immediate holding company	(943)	969
Issue of shares by a subsidiary	–	1
Decrease in amounts due to fellow subsidiaries	–	(1,196)
Net cash from (used in) financing activities	69,203	(100,226)
Net increase (decrease) in cash and cash equivalents	20,760	(1,211)
Cash and cash equivalents at beginning of the year	123,590	124,801
Cash and cash equivalents at end of the year, representing bank balances and cash	144,350	123,590