

# Consolidated Cash Flow Statement

Year ended 31 March 2006

	Notes	2006 HK\$'000	2005 HK\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		<b>16,231</b>	242,376
Adjustments for:			
Depreciation	7	<b>15,268</b>	16,245
Amortisation of intangible assets	7	<b>852</b>	1,992
Impairment of intangible assets	7	<b>261</b>	–
Write-off of intangible assets	7	<b>938</b>	–
Impairment of trade receivables	7	<b>3,170</b>	4,975
Impairment of items of property, plant and equipment	7	<b>–</b>	907
Loss/(gain) on disposal/write-off of items of property, plant and equipment	7	<b>4,524</b>	(6,771)
Gain on disposal of an available-for-sale equity investment/ a long term listed investment		<b>(37,473)</b>	(197,663)
Fair value gains on equity investments at fair value through profit or loss	7	<b>(8,036)</b>	–
Unrealised holding loss on short term investments	7	<b>–</b>	6,075
Dividend income from listed investments	7	<b>(1,383)</b>	(1,240)
Interest income	7	<b>(3,140)</b>	(1,134)
Finance costs	6	<b>19,075</b>	11,396
Gain on disposal of a subsidiary	16, 32	<b>(39,552)</b>	–
Operating profit/(loss) before working capital changes		<b>(29,265)</b>	77,158
Increase in an amount due from a jointly-controlled entity		<b>(3,660)</b>	–
Decrease/(increase) in inventories		<b>73,995</b>	(60,129)
Decrease/(increase) in trade receivables		<b>44,239</b>	(26,018)
Decrease/(increase) in prepayments, deposits and other receivables		<b>2,881</b>	(6,193)
Increase/(decrease) in trade payables and accrued expenses		<b>(69,200)</b>	8,695
Decrease in other long term payable		<b>(408)</b>	(35)
Cash generated from/(used in) operations		<b>18,582</b>	(6,522)
Hong Kong profits tax paid		<b>(1,360)</b>	(6,930)
Overseas tax paid		<b>–</b>	(564)
Net cash inflow/(outflow) from operating activities – page 37		<b>17,222</b>	(14,016)

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Year ended 31 March 2006

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Net cash inflow/(outflow) from operating activities – page 36		17,222	(14,016)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received		3,140	1,134
Purchases of items of property, plant and equipment		(27,434)	(58,602)
Proceeds from disposal of items of property, plant and equipment		1,000	17,360
Additions to intangible assets	15	(183)	(1,203)
Net proceeds from disposal of an available-for-sale equity investment	19	44,890	–
Net proceeds from disposal of a long term listed investment		–	218,057
Purchase of an available-for-sale unlisted equity investment	19	(7,800)	–
Purchases of equity investments at fair value through profit or loss/short term investments		(40,534)	(93,737)
Disposal of a subsidiary	32	(4,144)	–
Net cash inflow/(outflow) from investing activities		(31,065)	83,009
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
New bank loans		–	18,450
Repayment of a bank loan		(2,304)	(1,920)
Increase in import and trust receipt loans		45,851	79,570
Capital element of finance lease rental payments		(1,938)	(3,134)
Capital contribution from minority interests		2,191	–
Interest paid		(17,656)	(11,396)
Dividends paid		(64,813)	(84,257)
Net cash outflow from financing activities		(38,669)	(2,687)
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		(52,512)	66,306
Cash and cash equivalents at beginning of year		218,999	152,595
Effect of foreign exchange rate changes, net		(1,618)	98
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		164,869	218,999
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances		135,328	145,069
Time deposits with original maturity of less than three months when acquired		29,541	73,930
		164,869	218,999