

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 30 September 2004 (Expressed in Hong Kong dollars)

| | 2004 | | 2003 |
|---|---------------|----------|---------------|
| | \$'000 | \$'000 | \$'000 |
| Operating activities | | | |
| Profit from ordinary activities before taxation | 51,967 | | 38,639 |
| Adjustments for: | | | |
| – Depreciation | 2,316 | | 1,748 |
| – Loss on disposal of a fixed asset | 18 | | – |
| – Finance costs | 2,623 | | 2,245 |
| Operating profit before changes in working capital | 56,924 | | 42,632 |
| Decrease/(increase) in accounts receivable | 5,682 | (7,082) | |
| Increase in reimbursements receivable | (24,644) | (8,615) | |
| Increase in prepayments, deposits and other receivables | (3,872) | (13,263) | |
| Decrease/(increase) in amount due from a director | 498 | (1,538) | |
| Decrease/(increase) in net amounts due from related companies | 2,213 | (819) | |
| (Decrease)/increase in accruals and other payables | (1,721) | 6,400 | |
| | (21,844) | | (24,917) |
| Cash generated from operations | 35,080 | | 17,715 |
| Tax paid | (1,491) | | – |
| Net cash generated from operating activities | 33,589 | | 17,715 |

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| | 2004 | | 2003 |
|---|----------|-----------------|-----------------|
| | \$'000 | \$'000 | \$'000 |
| Investing activities | | | |
| Payment for purchase of fixed assets | (7,701) | | (12,853) |
| Payment for purchase of licence rights | (9,630) | | – |
| Payment of a deposit to secure the right to purchase a property | (3,000) | | – |
| Net cash used in investing activities | | (20,331) | (12,853) |
| Financing activities | | | |
| Increase in pledged deposits | (22,830) | | – |
| (Repayment of)/proceeds from bank overdrafts | (25,443) | | 949 |
| Proceeds from bank loans | 15,013 | | 16,227 |
| Interest paid | (2,441) | | (2,245) |
| Other borrowing costs paid | (182) | | – |
| Proceeds from issue of shares | 128,000 | | – |
| Listing expenses | (30,727) | | – |
| Payment of dividends | – | | (13,000) |
| Net cash generated from financing activities | | 61,390 | 1,931 |
| Net increase in cash and cash equivalents | | 74,648 | 6,793 |
| Cash and cash equivalents at the beginning of the year | | 10,634 | 3,841 |
| Cash and cash equivalents at the end of the year | | 85,282 | 10,634 |

The notes on pages 40 to 75 form part of these financial statements.