## CONSOLIDATED CASH FLOW STATEMENT

Year ended 30 September 2004

Notes			
CASH FLOWS FROM OPERATING ACTIVITIES         43,651         21,937           Profit before tax         43,651         21,937           Adjustments for:         5         45,585           Loss/(gain) on disposal of fixed assets         6         117         (19           Interest income         5         (175)         (341)           Revaluation deficit/(surplus) on an investment property         5,6         (550)         90           Finance costs         7         2,761         6,368           Provision for doubtful debts         21,501         9,514           Write-off and provision for other receivables         6         -         1,768           Provision for inventories         6         16,178         -           Gain on revaluation of short term investments         5         (1,089)         -           Gain on disposal of long term investments         5         (1,089)         -           Share of profit of a jointly-controlled entity         (1,837)         (363           Operating profit before working capital changes         134,246         84,497           Decrease/(increase) in inventories         4,885         (21,837           Decrease in accounts receivable         9,840         14,515           Decrease/(increas		2004	2003
Profit before tax	Notes	HK\$'000	HK\$'000
Adjustments for:   Depreciation	CASH FLOWS FROM OPERATING ACTIVITIES		
Depreciation         6         53,742         45,585           Loss/(gain) on disposal of fixed assets         6         117         (19           Interest income         5         (175)         (341)           Revaluation deficit/(surplus) on an investment property         5,6         (550)         90           Finance costs         7         2,761         6,368           Provision for doubtful debts         21,501         9,514           Write-off and provision for other receivables         6         -         1,768           Provision for inventories         6         16,178         -         -         1,768           Provision for inventories         6         16,178         -         -         1,768           Gain on revaluation of short term investments         5         (53)         (42         (42         (42         (42         (42         (42         (42         (42         (42         (43         (42         (43         (42         (42         (43         (42         (42         (42         (42         (42         (42         (42         (42         (42         (42         (42         (42         (42         (43         (42         (43         (43         (43 <t< td=""><td>Profit before tax</td><td>43,651</td><td>21,937</td></t<>	Profit before tax	43,651	21,937
Loss/(gain) on disposal of fixed assets 6 117 (19) Interest income 5 (175) (341) Revaluation deficit/(surplus) on an investment property 5,6 (550) 90 Finance costs 7 2,761 6,368 Provision for doubtful debts 21,501 9,514 Write-off and provision for other receivables 6 - 1,768 Provision for inventories 6 16,178 Provision for inventories 5 (53) (42) Gain on revaluation of short term investments 5 (53) (42) Gain on disposal of long term investments 5 (10,889) - 5 Share of profit of a jointly-controlled entity (1,837) (363)  Operating profit before working capital changes 134,246 84,497 Decrease/(increase) in inventories 4,885 (21,837) Decrease in accounts receivable 9,840 14,515 Decrease in prepayments, deposits and other receivables 8,701 6,916 Decrease/(increase) in an amount due from a related company (1,528) 984 Increase in accounts payable 40,619 15,041 Increase in accounts payable 12,247 704  Cash generated from operations 198,010 100,820 Interest received 175 341 Interest received (2,757) (6,353) Interest element of a finance lease rental payment (4) (15) Hong Kong profits tax paid (983) (790) Mainland China corporate income tax paid (687) (1,982)  Net cash inflow from operating activities 193,754 92,021	Adjustments for:		
Interest income		53,742	45,585
Revaluation deficit/(surplus) on an investment property 5,6 (550) 90 Finance costs 7 2,761 6,368 Provision for doubtful debts 21,501 9,514 Write-off and provision for other receivables 6 - 1,768 Provision for inventories 6 16,178 - 1,768 Gain on revaluation of short term investments 5 (53) (42) Gain on disposal of long term investments 5 (1,089) - 5,8are of profit of a jointly-controlled entity (1,837) (363)  Operating profit before working capital changes 134,246 84,497 Decrease/(increase) in inventories 4,885 (21,837) Decrease in accounts receivable 9,840 14,515 Decrease in prepayments, deposits and other receivables 8,701 6,916 Decrease/(increase) in an amount due from a related company (1,528) 984 Increase in accounts payable 40,619 15,041 Increase in accrued liabilities and other payables 1,247 704  Cash generated from operations 198,010 100,820 Interest received 1,75 341 Interest received (2,757) (6,353) Interest element of a finance lease rental payment (4) (15) Mainland China corporate income tax paid (687) (1,982)  Net cash inflow from operating activities 193,754 92,021			(19)
Finance costs Provision for doubtful debts Provision for doubtful debts Write-off and provision for other receivables Provision for inventories 6		, ,	(341)
Provision for doubtful debts Write-off and provision for other receivables Provision for inventories 6 16,178 Provision for inventories 6 16,178 Gain on revaluation of short term investments 5 (53) (42) Gain on disposal of long term investments 5 (1,089) Share of profit of a jointly-controlled entity (1,837) (363)  Operating profit before working capital changes Pecrease/(increase) in inventories Pecrease in accounts receivable Pecrease in prepayments, deposits and other receivables Pecrease in prepayments, deposits and other receivables Pecrease in accounts payable Pecrease in accounts payable Pecrease in accounts payable Pecrease in accounts payable Peresse in acc			
Write-off and provision for other receivables Provision for inventories Gain on revaluation of short term investments Gain on disposal of long term investments Share of profit of a jointly-controlled entity  Operating profit before working capital changes Pecrease/(increase) in inventories Pecrease in accounts receivable Pecrease in prepayments, deposits and other receivables Pecrease in accounts payable Increase in ac			
Provision for inventories Gain on revaluation of short term investments 5 (53) (42) Gain on disposal of long term investments 5 (1,089) — Share of profit of a jointly-controlled entity (1,837) (363)  Operating profit before working capital changes Decrease/(increase) in inventories Decrease in accounts receivable Decrease in prepayments, deposits and other receivables Decrease/(increase) in an amount due from a related company Increase in accounts payable Increase in accrued liabilities and other payables  Cash generated from operations Interest received Interest received Interest received Interest paid Interest element of a finance lease rental payment Hong Kong profits tax paid Mainland China corporate income tax paid  CASH FLOWS FROM INVESTING ACTIVITIES		21,501	
Gain on revaluation of short term investments Gain on disposal of long term investments Share of profit of a jointly-controlled entity  Operating profit before working capital changes Decrease/(increase) in inventories Decrease in accounts receivable Decrease in prepayments, deposits and other receivables Decrease in prepayments, deposits and other receivables Decrease in accounts payable Increase in accounts payable Increase in accrued liabilities and other payables Interest received Interest received Interest received Interest received Interest paid Interest element of a finance lease rental payment Hong Kong profits tax paid Mainland China corporate income tax paid  CASH FLOWS FROM INVESTING ACTIVITIES	·	_	1,768
Gain on disposal of long term investments Share of profit of a jointly-controlled entity  Operating profit before working capital changes Decrease/(increase) in inventories Decrease in accounts receivable Decrease in prepayments, deposits and other receivables Decrease in accounts payable Increase in accounts payable Interest received Interest received Interest paid Interest paid Interest paid Interest element of a finance lease rental payment Hong Kong profits tax paid Mainland China corporate income tax paid  Net cash inflow from operating activities  CASH FLOWS FROM INVESTING ACTIVITIES		*	_
Share of profit of a jointly-controlled entity (1,837) (363)  Operating profit before working capital changes 134,246 84,497  Decrease/(increase) in inventories 4,885 (21,837)  Decrease in accounts receivable 9,840 14,515  Decrease in prepayments, deposits and other receivables 8,701 6,916  Decrease/(increase) in an amount due from a related company (1,528) 984  Increase in accounts payable 40,619 15,041  Increase in accrued liabilities and other payables 1,247 704  Cash generated from operations 198,010 100,820  Interest received 175 341  Interest paid (2,757) (6,353)  Interest element of a finance lease rental payment (4) (15)  Hong Kong profits tax paid (983) (790)  Mainland China corporate income tax paid (687) (1,982)  Net cash inflow from operating activities 193,754 92,021			(42)
Operating profit before working capital changes Decrease/(increase) in inventories Decrease/(increase) in inventories Decrease in accounts receivable Decrease in accounts receivable Decrease in prepayments, deposits and other receivables Decrease/(increase) in an amount due from a related company Increase in accounts payable Increase in accounts payable Increase in accrued liabilities and other payables  Cash generated from operations Interest received Interest received Interest paid Interest paid Interest element of a finance lease rental payment Hong Kong profits tax paid Mainland China corporate income tax paid  Net cash inflow from operating activities  193,754  844,477 4,885 (21,837) 9,840 14,515 984 14,515 984 16,619 15,041 17,047 704  100,820 100,820 175 341 175 34			
Decrease (increase) in inventories  Decrease in accounts receivable  Decrease in prepayments, deposits and other receivables  Decrease (increase) in an amount due from a related company  Increase in accounts payable Increase in accounts payable Increase in accrued liabilities and other payables  Cash generated from operations Interest received Interest paid Interest paid Interest element of a finance lease rental payment Hong Kong profits tax paid Mainland China corporate income tax paid  Net cash inflow from operating activities  CASH FLOWS FROM INVESTING ACTIVITIES	Share of profit of a jointly-controlled entity	(1,837)	(363)
Decrease (increase) in inventories  Decrease in accounts receivable  Decrease in prepayments, deposits and other receivables  Decrease (increase) in an amount due from a related company  Increase in accounts payable Increase in accounts payable Increase in accrued liabilities and other payables  Cash generated from operations Interest received Interest paid Interest paid Interest element of a finance lease rental payment Hong Kong profits tax paid Mainland China corporate income tax paid  Net cash inflow from operating activities  CASH FLOWS FROM INVESTING ACTIVITIES	Operating profit before working capital changes	134.246	84 497
Decrease in accounts receivable Decrease in prepayments, deposits and other receivables R,701 Decrease/(increase) in an amount due from a related company Increase in accounts payable Increase in accrued liabilities and other payables  Cash generated from operations Interest received Interest paid Interest element of a finance lease rental payment Hong Kong profits tax paid Mainland China corporate income tax paid  Net cash inflow from operating activities  14,515 6,916 6,916 1,528 984 1,5247 704 15,041 17,047 704 100,820		•	,
Decrease in prepayments, deposits and other receivables  Decrease/(increase) in an amount due from a related company Increase in accounts payable Increase in accrued liabilities and other payables  Cash generated from operations Interest received Interest paid Interest element of a finance lease rental payment Hong Kong profits tax paid Mainland China corporate income tax paid  Net cash inflow from operating activities  8,701 6,916 6,916 1,528 1984 1,247 704 100,820		•	
Decrease/(increase) in an amount due from a related company Increase in accounts payable 40,619 15,041 Increase in accrued liabilities and other payables 1,247 704  Cash generated from operations 198,010 100,820 Interest received 175 341 Interest paid (2,757) (6,353 Interest element of a finance lease rental payment (4) (15 Hong Kong profits tax paid (983) (790) Mainland China corporate income tax paid (687) (1,982)  Net cash inflow from operating activities 193,754 92,021  CASH FLOWS FROM INVESTING ACTIVITIES			
Increase in accounts payable Increase in accrued liabilities and other payables  Cash generated from operations Interest received Interest paid Interest element of a finance lease rental payment Hong Kong profits tax paid Mainland China corporate income tax paid  Net cash inflow from operating activities  Increase in accounts payable 15,041 100,820 100,820 100,820 175 341 175 (6,353 105 175 (15) 175 175 175 175 175 175 175 175 175 175		-	·
Increase in accrued liabilities and other payables  Cash generated from operations Interest received Interest paid Interest element of a finance lease rental payment Hong Kong profits tax paid Mainland China corporate income tax paid  Net cash inflow from operating activities  1,247 704 100,820 118,010 127,757 (6,353) (2,757) (6,353) (790) (983) (790) (1,982) 118,010 129,011 129,011 120 120 120 120 120 120 120 120 120			
Cash generated from operations Interest received Interest paid Interest element of a finance lease rental payment Hong Kong profits tax paid Mainland China corporate income tax paid  Net cash inflow from operating activities  CASH FLOWS FROM INVESTING ACTIVITIES  198,010 100,820 175 341 (2,757) (6,353) (790) (983) (790) (1,982) 193,754 92,021			704
Interest received 175 341 Interest paid (2,757) (6,353) Interest element of a finance lease rental payment (4) (15) Hong Kong profits tax paid (983) (790) Mainland China corporate income tax paid (687) (1,982)  Net cash inflow from operating activities 193,754 92,021  CASH FLOWS FROM INVESTING ACTIVITIES			
Interest paid Interest paid Interest element of a finance lease rental payment Hong Kong profits tax paid Mainland China corporate income tax paid  Net cash inflow from operating activities  CASH FLOWS FROM INVESTING ACTIVITIES  (6,353) (790) (15) (790) (17) (8,353) (790) (18) (19) (19) (19) (19) (19) (19) (19) (19			,
Interest element of a finance lease rental payment Hong Kong profits tax paid Mainland China corporate income tax paid  Net cash inflow from operating activities  CASH FLOWS FROM INVESTING ACTIVITIES  (4) (983) (790) (687) (1,982) (1,982)			
Hong Kong profits tax paid (983) (790) Mainland China corporate income tax paid (687) (1,982)  Net cash inflow from operating activities 193,754 92,021  CASH FLOWS FROM INVESTING ACTIVITIES	· · · · · · · · · · · · · · · · · · ·		
Mainland China corporate income tax paid (687) (1,982)  Net cash inflow from operating activities 193,754 92,021  CASH FLOWS FROM INVESTING ACTIVITIES			, ,
Net cash inflow from operating activities 193,754 92,021 CASH FLOWS FROM INVESTING ACTIVITIES			
CASH FLOWS FROM INVESTING ACTIVITIES	Mainland China corporate income tax paid	(687)	(1,982)
	Net cash inflow from operating activities	193,754	92,021
	CASH FLOWS FROM INVESTING ACTIVITIES		
(1)100		(42.279)	(8 103)
Proceeds from disposal of fixed assets 40 1,060			1,060
		_	(8,915)
Deposits paid for acquisition of fixed assets (19,836)		(19.836)	(677.67
Proceeds from disposal of short term investments 7,895		, , ,	_
			(7,800)
Proceeds from disposal of long term investments 12,714 –		* * *	
		-	(4,043)
Net cash outflow from investing activities (44,628) (27,801)	Net cash outflow from investing activities	(44,628)	(27,801)
Net cash inflow before financing activities – page 32 149,126 64,220	Net cash inflow before financing activities – page 32	149,126	64,220



## CONSOLIDATED CASH FLOW STATEMENT

Year ended 30 September 2004

		2004	2003
	Notes	HK\$'000	HK\$'000
Net cash inflow before financing activities – page 31		149,126	64,220
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in trust receipt loans		(1,952)	1,238
Capital element of a finance lease rental payment		(94)	(102)
New bank loans		84,545	152,735
Repayment of bank loans		(170,008)	(211,254)
Dividend paid		(10,160)	(10,160)
		(10,100)	(10,100)
Net cash outflow from financing activities		(97,669)	(67,543)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALEN	TS	51,457	(3,323)
Cash and cash equivalents at beginning of year		131,048	135,057
Effect of foreign exchange rate changes, net		2	(686)
CASH AND CASH EQUIVALENTS AT END OF YEAR		182,507	131,048
ONOTITIES ON OTHER CONTINUES OF TEXAS		102/007	1017010
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	22	179,420	127,961
Time deposits with original maturity of less than			
three months when acquired, pledged as security			
for trust receipt loans facilities	22	3,087	3,087
		182,507	131,048