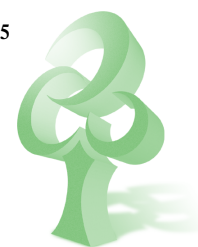


Consolidated Cash Flow Statement

For the year ended 30 June 2005

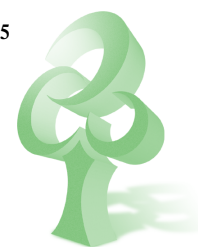
<i>Note</i>	2005 <i>HK\$'000</i>	2004 <i>HK\$'000</i>
Cash flows from operating activities		
Profit from operations	28,772	18,772
Adjustments for:		
Interest income	(1,247)	(551)
Depreciation of property, plant and equipment	11,541	12,780
Loss/(gain) on disposal of property, plant and equipment	27	(82)
Amortisation of system development costs	8,655	8,669
Amortisation of intangible assets	14,937	21,451
Provision for impairment loss of intangible assets	15,164	–
Decrease in deposits for lease of production lines	–	10,366
Increase in inventories	(41,346)	(2,809)
Increase in other receivables, prepayments and deposits	(216,143)	(89,866)
Decrease/(increase) in due from directors	613	(613)
(Increase)/decrease in trade receivables	(88,219)	8,081
Increase in trade and bills payable	232,479	64,706
Increase/(decrease) in accrual and other payables	72,777	(2,073)
	<hr/>	<hr/>
Cash generated from operations	38,010	48,831
Interest paid	(9,550)	(2,337)
Mainland China enterprise income tax paid	(437)	(2)
	<hr/>	<hr/>
Net cash from operating activities	28,023	46,492
	<hr/>	<hr/>
Cash flow from investing activities		
Interest received	1,247	551
Purchase of businesses (a)	(32,152)	(19,324)
Payment for capitalised product development costs	–	(5,185)
Payment for technical know-how	(5,635)	(13,198)
Purchase of property, plant and equipment	(20,266)	(18,077)
Sale proceeds on disposal of property, plant and equipment	39	262
Payment of deposits for purchase of property, plant and equipment	(4,870)	–
Prepayment for acquisition of businesses	(6,104)	–
Payment for consultancy database	–	(3,772)
Payment for acquisition of additional interests in a subsidiary	(971)	(198)
Payment for registered capital of a subsidiary	–	(1,188)
	<hr/>	<hr/>
Net cash used in investing activities	(68,712)	(60,129)
	<hr/>	<hr/>



Consolidated Cash Flow Statement

For the year ended 30 June 2005

	<i>Note</i>	2005 HK\$'000	2004 <i>HK\$'000</i>
Cash flow from financing			
Net proceeds from issue of shares in respect of Placing		–	34,083
Capital contribution from minority shareholders of subsidiaries		5,470	1,414
Increase/(decrease) in advances from minority shareholders of subsidiaries		9,160	(12,254)
Increase/(decrease) in advances from a director		967	(1,180)
New bank loans raised		129,901	47,794
Repayment of bank loans		(47,794)	–
Increase in restricted bank deposits		(48,317)	(38,042)
Net cash from financing	<i>(b)</i>	49,387	31,815
Net increase in cash and cash equivalents		8,698	18,178
Cash and cash equivalents at beginning of year		46,066	28,086
Effect of foreign exchange rate changes		(1,396)	(198)
Cash and cash equivalents at end of year		53,368	46,066
Analysis of the balances of cash and cash equivalents			
Cash and bank balances		53,368	46,066



Consolidated Cash Flow Statement

For the year ended 30 June 2005

Note:

(a) **Purchase of businesses**

Analysis of the net cash outflow in respect of the acquisition of the agricultural resources businesses:

	2005 HK\$'000	2004 HK\$'000
Estimated fair value of the net assets of the agricultural resources trading businesses as at the dates of acquisition		
Goodwill on acquisitions (Note 15)	32,152	3,769
Prepayment for purchase of businesses	12,500	19,324
Cash consideration	44,652	23,093
Amounts transfer from "Prepayment and deposits" – Prepayment for purchase of business in last year	(12,500)	(3,769)
Net cash outflow in respect of acquisition of agricultural resources trading businesses	32,152	19,324

(b) **Analysis of changes in financing during the year**

	Share capital including premium		Due to minority shareholders of subsidiaries		Minority interests		Due to a director		Bank loan, secured		Restricted bank deposits	
	2005 HK\$'000	2004 HK\$'000	2005 HK\$'000	2004 HK\$'000	2005 HK\$'000	2004 HK\$'000	2005 HK\$'000	2004 HK\$'000	2005 HK\$'000	2004 HK\$'000	2005 HK\$'000	2004 HK\$'000
Beginning of the year	140,707	106,624	-	12,254	6,391	3,508	120	1,300	47,794	-	65,892	27,850
Placing	-	34,083	-	-	-	-	-	-	-	-	-	-
Addition/(repayment) to advances from minority shareholders of subsidiaries	-	-	9,160	(12,254)	-	-	-	-	-	-	-	-
Capital contribution from minority shareholders	-	-	-	-	5,470	1,414	-	-	-	-	-	-
Acquisition of additional interests in a subsidiary by the Group	-	-	-	-	(971)	(198)	-	-	-	-	-	-
Minority interests' in share of (loss)/profit	-	-	-	-	(3,774)	1,667	-	-	-	-	-	-
Addition/(repayment) to advances from a director	-	-	-	-	-	-	967	(1,180)	-	-	-	-
New bank loan raised	-	-	-	-	-	-	-	-	129,901	47,794	-	-
Repayment of bank loan	-	-	-	-	-	-	-	-	(47,794)	-	-	-
Increase in restricted bank deposits	-	-	-	-	-	-	-	-	-	-	48,317	38,042
End of the year	140,707	140,707	9,160	-	7,116	6,391	1,087	120	129,901	47,794	114,209	65,892

The notes on pages 33 to 75 form an integral part of these financial statements.