

# CONSOLIDATED CASH FLOW STATEMENT

YEAR ENDED 30 SEPTEMBER 2005

|                                                              | Notes | 2005<br>HK\$'000 | 2004<br>HK\$'000 |
|--------------------------------------------------------------|-------|------------------|------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                  |       |                  |                  |
| Profit before taxation                                       |       | 31,783           | 29,966           |
| Adjustments for:                                             |       |                  |                  |
| Interest income                                              |       | (4,420)          | (178)            |
| Interest expenses                                            |       | 97               | 322              |
| Depreciation                                                 |       | 6,474            | 5,348            |
| Amortisation of goodwill                                     |       | -                | 211              |
| Provision for other receivables                              |       | -                | 335              |
| Waiver of other loan                                         |       | -                | (4,036)          |
| Gain on disposal of subsidiaries and discontinued operations |       | -                | (2,314)          |
| Share of results of associates                               |       | 12               | -                |
| Dividend from available-for-sale investment                  |       | (1,133)          | -                |
| Written back of amortisation of goodwill                     |       | (66)             | -                |
| Waiver of promissory note                                    |       | -                | (119)            |
| Written back of provision for litigation                     |       | -                | (2,075)          |
| Written off of trade and other payables                      |       | -                | (1,766)          |
| <b>OPERATING PROFIT BEFORE CHANGES IN WORKING CAPITAL</b>    |       | <b>32,747</b>    | <b>25,694</b>    |
| Decrease/(increase) in inventory                             |       | 33               | (5,389)          |
| (Increase)/decrease in trade receivables                     |       | (122)            | 17,998           |
| Increase in deposits, prepayment and other receivables       |       | (8,226)          | (12,919)         |
| Decrease in amount due from customers for contract work      |       | -                | 3                |
| Increase/(decrease) in trade payables                        |       | 20               | (16,173)         |
| (Decrease)/increase in other payables and accruals           |       | (1,316)          | 7,302            |
| Decrease in amount due to customers for contract work        |       | -                | (7,637)          |
| <b>CASH GENERATED FROM OPERATIONS</b>                        |       | <b>23,136</b>    | <b>8,879</b>     |
| Tax paid                                                     |       | -                | (14)             |
| <b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>          |       | <b>23,136</b>    | <b>8,865</b>     |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                  |       |                  |                  |
| Purchase of fixed assets                                     |       | (741)            | (96,550)         |
| Acquisition of associates                                    |       | (100,681)        | -                |
| Acquisition of available-for-sale investment                 |       | (25,239)         | -                |
| Acquisition of investment securities                         |       | -                | (971)            |
| Loans to associates                                          |       | (47,837)         | -                |
| Loan to investee company                                     |       | -                | (2,500)          |
| Loan receivable                                              |       | (50,000)         | -                |
| Acquisition of a subsidiary, net of cash acquired            | 33    | (178)            | 2,313            |
| Increase in pledged bank deposits                            |       | (508)            | (200)            |
| Disposal of subsidiaries                                     | 34    | -                | 160              |
| Interest income                                              |       | 2,858            | 178              |
| Dividend from available-for-sale investments                 |       | 1,133            | -                |
| <b>NET CASH USED IN INVESTING ACTIVITIES</b>                 |       | <b>(221,193)</b> | <b>(97,570)</b>  |

## CONSOLIDATED CASH FLOW STATEMENT

|                                                              | 2005<br>HK\$'000 | 2004<br>HK\$'000 |
|--------------------------------------------------------------|------------------|------------------|
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                  |                  |                  |
| Proceeds from issue of shares                                | 405,760          | 42,039           |
| Cost on issue of new shares                                  | (39,670)         | (598)            |
| Redomicile costs                                             | (2,117)          | –                |
| Repayment of bank loans                                      | –                | (150)            |
| Loans (repayments to) / from minority shareholders           | (5,328)          | 31,536           |
| Capital elements of finance lease payments                   | –                | (32)             |
| Repayment of other borrowings                                | (1,652)          | –                |
| Interest paid on bank loans and other borrowings             | (97)             | (322)            |
| <b>NET CASH GENERATED FROM FINANCING ACTIVITIES</b>          | <b>356,896</b>   | <b>72,473</b>    |
| <b>NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS</b> | <b>158,839</b>   | <b>(16,232)</b>  |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>        | <b>31,126</b>    | <b>47,358</b>    |
| <b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>              | <b>189,965</b>   | <b>31,126</b>    |
| <b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>     |                  |                  |
| Cash and bank balances                                       | 189,965          | 31,126           |

The notes on pages 41 to 80 form an integral part of these financial statements.