

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 30 September 2005

	Note	2005 HK\$'000	2004 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit from operating activities		80,572	73,401
Adjustments for:			
Interest income		(23)	(218)
Depreciation		33,445	19,034
Gain on disposal of property, plant and equipment		–	(20)
Deficit on revaluation of leasehold land and buildings		696	–
Write off of property, plant and equipment		–	8,217
Amortisation of goodwill		3,395	–
Amortisation of technical know-how		292	–
Forfeiture of deposit paid for investment in a joint venture		1,905	–
Write off of trade receivables		961	–
Write off of other receivables		70	–
Provision for slow-moving inventories		348	1,162
Operating profit before working capital changes		121,661	101,576
Increase in inventories		(9,166)	(33,073)
Decrease/(increase) in trade receivables		204	(33,263)
Decrease/(increase) in prepayments, deposits and other receivables		16,028	(21,324)
(Decrease)/increase in trade payables		(7,299)	2,446
Increase in other payables and accruals		13,674	9,552
Cash generated from operations		135,102	25,914
Tax paid		(1,730)	(1,305)
Net cash inflow from operating activities		133,372	24,609
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment		(70,356)	(94,826)
Disposal of subsidiaries	27(a)	–	(22)
Acquisition of subsidiaries	27(b)	–	(77,614)
Acquisition of technical know-how		(9,710)	–
Acquisition of interests in investment securities		(1,036)	–
Additions of goodwill		(4,067)	–
Refund of deposits paid for acquisition of long-term assets		14,151	14,849
Deposits paid for acquisition of long-term assets		(21,296)	(16,056)
Interest received		23	218
Net cash outflow from investing activities		(92,291)	(173,451)

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 30 September 2005

	2005 HK\$'000	2004 HK\$'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Inception of new bank loans	187,233	166,887
Repayment of bank loans	(147,961)	(68,962)
Other loans advanced by the Group included in other receivables	(40,367)	-
Repayment of other loans to the Group included in other receivables	40,315	-
Proceeds from issue of shares	65	1,847
Interest and bank charges paid	(10,773)	(5,207)
Dividends paid	(16,265)	(29,759)
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Net cash inflow from financing activities	12,247	64,806
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INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	53,328	(84,036)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	30,501	114,537
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	4,538	-
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CASH AND CASH EQUIVALENTS AT END OF YEAR	88,367	30,501
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ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS AT END OF YEAR		
Cash and bank balances	88,367	30,501
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