Consolidated Cash Flow Statement

For the year ended June 30, 2006

Operating activities AKK' 900 AKK' 900 Operating activities AKK' 900 AKK' 900 Profit before taxation 34,721 105,552 Adjustments for: 14,339 7,913 Interest income (2,514) (1,237) Allowance for loan to an associate - 334 Gain on dissolution of a subsidiary - (1,410) Share of results of an associate 1225 Depreciation of property, plant and equipment 31,761 Amortisation of intangible asset 121 Increase in fair value of investment properties (2,891) Increase in fair value of derivative financial instruments (336) Release of prepaid lease payments 442 472 Loss on disposal of property, plant and equipment 688 3 Recognition (reversal) of impairment for bad and doubtful debts 15,718 (1,575) Bad and doubtful debt written off 473 - Operating cash flows before movements in working capital 91,574 136,797 Increase in inventories (32,414) (11,616) Decrease (increase) in trade and othe			2005	2005
Operating activities 34,721 105,552 Profit before taxation 34,721 105,552 Adjustments for: 14,339 7,913 Interest income (2,514) (1,237) Allowance for loan to an associate - 3343 Gain on dissolution of a subsidiary - (1,410) Share of results of an associate (1,225) - Depreciation of property, plant and equipment 31,761 26,745 Amortisation of intangible asset 121 - Increase in fair value of derivative financial instruments (2,891) - Increase in fair value of derivative financial instruments (336) - Release of prepaid lease payments 442 472 Loss on disposal of property, plant and equipment 698 3 Recognition (reversal) of impairment for bad and doubtful debts 15,718 (1,575) Bad and doubtful debt written off 473 - Operating cash flows before movements in working capital 91,574 136,797 Increase in inventories (32,414) (11,461)		NOTES		
Profit before taxation 34,721 105,552 Adjustments fore: Finance costs 14,339 7,913 Interest income (2,514) (1,237) Allowance for loan to an associate - 334 Gain on dissolution of a subsidiary - (1,410) Share of results of an associate (1,225) - Depreciation of property, plant and equipment 31,761 26,745 Amortisation of intangible asset 121 - Share-based payment expense 267 - Increase in fair value of investiment properties (2,891) - Increase in fair value of derivative financial instruments (336) - Reclease of prepaid lease payments 442 472 Loss on disposal of property, plant and equipment 698 3 Recognition (reversal) of impairment for bad and doubtful debts 15,718 (1,575) Bad and doubtful debt written off 473 - Operating cash flows before movements in working capital increase in inventories 91,574 136,797 Increase in inventories 12,216 12,		NOTES	HK\$'000	HK\$*000
Adjustments for: 14,339 7,913 Finance costs (2,514) (1,237) Allowance for loan to an associate - 334 Gain on dissolution of a subsidiary - (1,410) Share of results of an associate (1,225) - Depreciation of property, plant and equipment 31,761 26,745 Amortisation of intangible asset 121 - Share-based payment expense (267 - Increase in fair value of investment properties (2,891) - Increase in fair value of derivative financial instruments (336) - Release of prepaid lease payments 442 472 Loss on disposal of property, plant and equipment 698 3 Recognition (reversal) of impairment for bad and doubtful debts 15,718 (1,575) Bad and doubtful debt written off 473 - Operating cash flows before movements in working capital 91,574 136,797 Increase in inventories (32,414) (11,461) Decreases (increase) in trade and other receivables 112,204 (105,052)			24.724	105 552
Finance costs 14,339 7,913 Interest income (2,514) (1,237) Allowance for loan to an associate — 334 Gain on dissolution of a subsidiary — (1,410) Share of results of an associate (1,225) — Depreciation of property, plant and equipment 31,761 26,745 Amortisation of intangible asset 121 — Share-based payment expense 267 — Increase in fair value of investment properties (2,891) — Increase in fair value of derivative financial instruments (336) — Release of prepaid lease payments 442 472 Loss on disposal of property, plant and equipment 698 3 Recognition (reversal) of impairment for bad and doubtful debts 15,718 (1,575) Bad and doubtful debt written off 473 — Operating cash flows before movements in working capital 91,574 136,797 Increase in inventories (32,414) (11,461) Decrease) increase in trade and other receivables 112,904 (105,052)			34,721	105,552
Interest income			44.220	7.042
Allowance for loan to an associate				
Gain on dissolution of a subsidiary - (1,410) Share of results of an associate (1,225) - Depreciation of property, plant and equipment 31,761 26,745 Amortisation of intangible asset 121 - Share-based payment expense 267 - Increase in fair value of investment properties (2,891) - Increase in fair value of derivative financial instruments (336) - Release of prepaid lease payments 442 472 Loss on disposal of property, plant and equipment 698 3 Recognition (reversal) of impairment for bad and doubtful debts 15,718 (1,579) Bad and doubtful debt written off 473 - Operating cash flows before movements in working capital 91,574 136,797 Increase in inventories (32,414) (11,461) Decrease (increase) in trade and other receivables (12,904 (105,052) (Increase) decrease in amount due from an associate (1,705) 1,285 (Decrease) increase in trade and other payables (106,789) 2,221 Cash generated from operations			(2,514)	
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Amortisation of intangible asset 121 - Share-based payment expense 267 - Increase in fair value of investment properties (2,891) - Increase in fair value of derivative financial instruments (336) - Release of prepaid lease payments 442 472 Loss on disposal of property, plant and equipment 698 3 Recognition (reversal) of impairment for bad and doubtful debts 15,718 (1,575) Bad and doubtful debt written off 473 - Operating cash flows before movements in working capital 91,574 136,797 Increase in inventories (32,414) (11,461) Decrease (increase) in trade and other receivables 112,904 (105,052) (Increase) increase in amount due from an associate (1,705) 1,285 (Decrease) increase in amount due to an associate (106,789) 2,221 (Decrease) increase in amount due to an associate (3,297) 924 Cash generated from operations 60,273 24,714 Taxation in other jurisdictions paid (3,429) (3,694) Pitterest rec				
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Increase in fair value of investment properties 1,891 - Increase in fair value of derivative financial instruments 336 - Release of prepaid lease payments 442 472 Loss on disposal of property, plant and equipment 698 3 Recognition (reversal) of impairment for bad and doubtful debts 15,718 (1,575) Bad and doubtful debt written off 473 - Operating cash flows before movements in working capital 91,574 136,797 Increase in inventories 32,414 (11,461) Decrease (increase) in trade and other receivables 112,904 (105,052) (Increase) decrease in amount due from an associate 1,705 1,285 (Decrease) increase in trade and other payables 106,789 2,221 (Decrease) increase in amount due to an associate 3,297 924 Cash generated from operations 60,273 24,714 Taxation in other jurisdictions paid 3,429 3,694 PRC enterprise income tax refunded in respect of reinvestment of dividend declared 2,514 1,237 Interest paid (14,550 (8,820) Net cash from operating activities 48,090 13,437 Investing activities 31,985 (10,615) Pocced from disposal of property, plant and equipment 515 - Purchase of property, plant and equipment 515 - Purchase of property, plant and equipment 45,046 (45,493) Acquisition of subsidiaries 34 (1,216) Dissolution of a subsidiary 35 - (233)				3155
Increase in fair value of derivative financial instruments Release of prepaid lease payments A42 472 Loss on disposal of property, plant and equipment Recognition (reversal) of impairment for bad and doubtful debts Recognition (reversal) of impairment for bad and doubtful debts Bad and doubtful debt written off A73 5 Bad and doubtful debt written off A73 6 Operating cash flows before movements in working capital Increase in inventories A32,414 (11,461) Decrease (increase) in trade and other receivables (Increase) decrease in amount due from an associate (Increase) increase in trade and other payables (Decrease) increase in trade and other payables (Decrease) increase in amount due to an associate (Increase) increase in amount due to an associate (Increase) increase in amount due to an associate (Increase) increase in amount due to an associate Cash generated from operations Aaxation in other jurisdictions paid RC enterprise income tax refunded in respect of reinvestment of dividend declared A3,282 6 Interest received A1,250 (14,550) Recrease plant and equipment A8,090 13,437 Investing activities Decrease (increase) in pledged bank deposits A2,000 (14,550) A2,000 (15,000) A2				W
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Bad and doubtful debt written off473-Operating cash flows before movements in working capital Increase in inventories91,574136,797Increase in inventories(32,414)(11,461)Decrease (increase) in trade and other receivables112,904(105,052)(Increase) decrease in amount due from an associate(106,789)2,221(Decrease) increase in trade and other payables(106,789)2,221(Decrease) increase in amount due to an associate(3,297)924Cash generated from operations60,27324,714Taxation in other jurisdictions paid(3,429)(3,694)PRC enterprise income tax refunded in respect of reinvestment of dividend declared3,282-Interest received2,5141,237Interest paid(14,550)(8,820)Net cash from operating activities48,09013,437Investing activities31,985(10,615)Poccease (increase) in pledged bank deposits31,985(10,615)Proceed from disposal of property, plant and equipment515-Purchase of property, plant and equipment(15,046)(45,493)Acquisition of subsidiaries34(1,216)Dissolution of a subsidiaries35-(233)	Loss on disposal of property, plant and equipment		698	3
Operating cash flows before movements in working capital91,574136,797Increase in inventories(32,414)(11,461)Decrease (increase) in trade and other receivables112,904(105,052)(Increase) decrease in amount due from an associate(1,705)1,285(Decrease) increase in trade and other payables(106,789)2,221(Decrease) increase in amount due to an associate(3,297)924Cash generated from operations60,27324,714Taxation in other jurisdictions paid(3,429)(3,694)PRC enterprise income tax refunded in respect of reinvestment of dividend declared3,282-Interest received2,5141,237Interest paid(14,550)(8,820)Net cash from operating activities48,09013,437Investing activities31,985(10,615)-Purchase of property, plant and equipment515Purchase of property, plant and equipment(15,046)(45,493)Acquisition of subsidiaries34(1,216)Dissolution of a subsidiary35-(233)			15,718	(1,575)
Increase in inventories (32,414) (11,461) Decrease (increase) in trade and other receivables 112,904 (105,052) Increase) decrease in amount due from an associate (1,705) 1,285 (Decrease) increase in trade and other payables (106,789) 2,221 (Decrease) increase in amount due to an associate (3,297) 924 Cash generated from operations 60,273 24,714 Taxation in other jurisdictions paid (3,429) (3,694) PRC enterprise income tax refunded in respect of reinvestment of dividend declared 3,282 -	Bad and doubtful debt written off		473	<u> </u>
Increase in inventories (32,414) (11,461) Decrease (increase) in trade and other receivables 112,904 (105,052) Increase) decrease in amount due from an associate (1,705) 1,285 (Decrease) increase in trade and other payables (106,789) 2,221 (Decrease) increase in amount due to an associate (3,297) 924 Cash generated from operations 60,273 24,714 Taxation in other jurisdictions paid (3,429) (3,694) PRC enterprise income tax refunded in respect of reinvestment of dividend declared 3,282 -				
Decrease (increase) in trade and other receivables 112,904 (105,052) (105,052) (Increase) decrease in amount due from an associate (1,705) 1,285 (Decrease) increase in trade and other payables (106,789) 2,221 2,221 (Decrease) increase in amount due to an associate (3,297) 924 924 Cash generated from operations 60,273 24,714 24,714 Taxation in other jurisdictions paid (3,429) (3,694) (3,694) PRC enterprise income tax refunded in respect of reinvestment of dividend declared 3,282 - - Interest received 2,514 1,237 1,237 Interest paid (14,550) (8,820) Net cash from operating activities 48,090 13,437 Investing activities 31,985 (10,615) Pocrease (increase) in pledged bank deposits 31,985 (10,615) Proceed from disposal of property, plant and equipment 515 - Purchase of property, plant and equipment (15,046) (45,493) Acquisition of subsidiaries 34 (1,216) Dissolution of a subsidiary 35 - (233)	Operating cash flows before movements in working capital		91,574	136,797
(Increase) decrease in amount due from an associate(1,705)1,285(Decrease) increase in trade and other payables(106,789)2,221(Decrease) increase in amount due to an associate(3,297)924Cash generated from operations60,27324,714Taxation in other jurisdictions paid(3,429)(3,694)PRC enterprise income tax refunded in respect of reinvestment of dividend declared3,282-Interest received2,5141,237Interest paid(14,550)(8,820)Net cash from operating activities48,09013,437Investing activities31,985(10,615)Pocrease (increase) in pledged bank deposits31,985(10,615)Proceed from disposal of property, plant and equipment515-Purchase of property, plant and equipment(15,046)(45,493)Acquisition of subsidiaries34(1,216)Dissolution of a subsidiary35-(233)	Increase in inventories		(32,414)	(11,461)
(Decrease) increase in trade and other payables (Decrease) increase in amount due to an associate(106,789) (3,297)2,221Cash generated from operations Taxation in other jurisdictions paid PRC enterprise income tax refunded in respect of reinvestment of dividend declared3,429) 3,282 2 - Interest received3,282 2,514 3,237-Interest paid(14,550)(8,820)Net cash from operating activities48,09013,437Investing activities Decrease (increase) in pledged bank deposits Proceed from disposal of property, plant and equipment Purchase of property, plant and equipment Acquisition of subsidiaries Dissolution of a subsidiary34 34 35 36 37 37 38- 38 38 38 39 39	Decrease (increase) in trade and other receivables		112,904	(105,052)
(Decrease) increase in amount due to an associate(3,297)924Cash generated from operations60,27324,714Taxation in other jurisdictions paid(3,429)(3,694)PRC enterprise income tax refunded in respect of reinvestment of dividend declared3,282-Interest received2,5141,237Interest paid(14,550)(8,820)Net cash from operating activities48,09013,437Investing activities31,985(10,615)Pocrease (increase) in pledged bank deposits31,985(10,615)Proceed from disposal of property, plant and equipment515-Purchase of property, plant and equipment(15,046)(45,493)Acquisition of subsidiaries34(1,216)Dissolution of a subsidiary35-(233)	(Increase) decrease in amount due from an associate		(1,705)	1,285
Cash generated from operations 60,273 24,714 Taxation in other jurisdictions paid (3,429) (3,694) PRC enterprise income tax refunded in respect of reinvestment of dividend declared 3,282 - Interest received 2,514 1,237 Interest paid (14,550) (8,820) Net cash from operating activities 48,090 13,437 Investing activities Decrease (increase) in pledged bank deposits 31,985 (10,615) Proceed from disposal of property, plant and equipment 515 - Purchase of property, plant and equipment (15,046) (45,493) Acquisition of subsidiaries 34 (1,216) Dissolution of a subsidiary 35 - (233)	(Decrease) increase in trade and other payables		(106,789)	2,221
Taxation in other jurisdictions paid (3,429) (3,694) PRC enterprise income tax refunded in respect of reinvestment of dividend declared 3,282 — Interest received 2,514 1,237 Interest paid (14,550) (8,820) Net cash from operating activities 48,090 13,437 Investing activities Decrease (increase) in pledged bank deposits 31,985 (10,615) Proceed from disposal of property, plant and equipment 515 — Purchase of property, plant and equipment (15,046) (45,493) Acquisition of subsidiaries 34 (1,216) Dissolution of a subsidiary 35 — (233)	(Decrease) increase in amount due to an associate		(3,297)	924
Taxation in other jurisdictions paid (3,429) (3,694) PRC enterprise income tax refunded in respect of reinvestment of dividend declared 3,282 — Interest received 2,514 1,237 Interest paid (14,550) (8,820) Net cash from operating activities 48,090 13,437 Investing activities Decrease (increase) in pledged bank deposits 31,985 (10,615) Proceed from disposal of property, plant and equipment 515 — Purchase of property, plant and equipment (15,046) (45,493) Acquisition of subsidiaries 34 (1,216) Dissolution of a subsidiary 35 — (233)		0.0797-1-0		
Taxation in other jurisdictions paid (3,429) (3,694) PRC enterprise income tax refunded in respect of reinvestment of dividend declared 3,282 — Interest received 2,514 1,237 Interest paid (14,550) (8,820) Net cash from operating activities 48,090 13,437 Investing activities Decrease (increase) in pledged bank deposits 31,985 (10,615) Proceed from disposal of property, plant and equipment 515 — Purchase of property, plant and equipment (15,046) (45,493) Acquisition of subsidiaries 34 (1,216) Dissolution of a subsidiary 35 — (233)	Cash generated from operations		60,273	24,714
PRC enterprise income tax refunded in respect of reinvestment of dividend declared 3,282 — Interest received 2,514 1,237 Interest paid (14,550) (8,820) Net cash from operating activities 48,090 13,437 Investing activities Decrease (increase) in pledged bank deposits 31,985 (10,615) Proceed from disposal of property, plant and equipment 515 — Purchase of property, plant and equipment (15,046) (45,493) Acquisition of subsidiaries 34 (1,216) Dissolution of a subsidiary 35 — (233)				
reinvestment of dividend declared Interest received Interest paid Interest paid Net cash from operating activities Net cash from operating activities Decrease (increase) in pledged bank deposits Proceed from disposal of property, plant and equipment Purchase of property, plant and equipment Acquisition of subsidiaries Dissolution of a subsidiary 3,282 4,237 48,090 13,437 (10,615) 7 (10,615) 6,45,493 1,216) 1,216) 1,216)				
Interest received 2,514 1,237 (14,550) (8,820) Net cash from operating activities 48,090 13,437 Investing activities Decrease (increase) in pledged bank deposits 31,985 (10,615) Proceed from disposal of property, plant and equipment 515 - Purchase of property, plant and equipment (15,046) (45,493) Acquisition of subsidiaries 34 (1,216) Dissolution of a subsidiary 35 - (233)			3,282	
Interest paid (14,550) (8,820) Net cash from operating activities 48,090 13,437 Investing activities Decrease (increase) in pledged bank deposits 31,985 (10,615) Proceed from disposal of property, plant and equipment 515 - Purchase of property, plant and equipment (15,046) (45,493) Acquisition of subsidiaries 34 (1,216) Dissolution of a subsidiary 35 - (233)	Interest received			1.237
Net cash from operating activities Investing activities Decrease (increase) in pledged bank deposits Proceed from disposal of property, plant and equipment Purchase of property, plant and equipment Acquisition of subsidiaries Dissolution of a subsidiary 13,437 48,090 13,437 (10,615) - (15,046) (45,493) 45,493) - (233)				
Investing activities Decrease (increase) in pledged bank deposits Proceed from disposal of property, plant and equipment Purchase of property, plant and equipment Acquisition of subsidiaries Dissolution of a subsidiary 35 (10,615) (45,493) (45,493) (1,216) (233)				
Investing activities Decrease (increase) in pledged bank deposits Proceed from disposal of property, plant and equipment Purchase of property, plant and equipment Acquisition of subsidiaries Dissolution of a subsidiary 35 (10,615) (45,493) (45,493) (1,216) (233)	Net cash from operating activities		48 090	13 /137
Decrease (increase) in pledged bank deposits Proceed from disposal of property, plant and equipment Purchase of property, plant and equipment Acquisition of subsidiaries Dissolution of a subsidiary 31,985 (10,615) (45,493) (45,493) (1,216) (233)	- Cash from operating activities		40,030	15,757
Decrease (increase) in pledged bank deposits Proceed from disposal of property, plant and equipment Purchase of property, plant and equipment Acquisition of subsidiaries Dissolution of a subsidiary 31,985 (10,615) (45,493) (45,493) (1,216) (233)	Investing activities			
Proceed from disposal of property, plant and equipment Purchase of property, plant and equipment Acquisition of subsidiaries Dissolution of a subsidiary 515 (15,046) (45,493) 4 (1,216) - (233)			21.005	(10.615)
Purchase of property, plant and equipment Acquisition of subsidiaries Dissolution of a subsidiary 34 (1,216) - (233)				(10,615)
Acquisition of subsidiaries 34 (1,216) Dissolution of a subsidiary 35 – (233)				(45, 402)
Dissolution of a subsidiary 35 – (233)		2.4		(45,493)
			(1,216)	(222)
	Dissolution of a subsidiary	35	- 10 - 10 - 10 - 10 - 10 - 10 - 10 - 10	(233)
11 / 11 / 11 / 15 / 15 / 15 / 15 / 15 /				
Net cash from (used in) investing activities 16,238 (56,341)	Net cash from (used in) investing activities	1	16,238	(56,341)

Consolidated Cash Flow Statement

For the year ended June 30, 2006

	2006	2005
	HK\$'000	HK\$'000
Financing activities		
Repayments of bank borrowings	(238,605)	(128,535)
Dividends paid	(35,099)	(38,000)
Repayments of obligations under finance leases	(3,517)	(3,448)
Repayment to a minority shareholder	(390)	- 1
New bank borrowings raised	220,205	142,465
Proceeds from issue of new shares		90,376
Expenditure on issue of new shares		(11,480)
Net cash (used in) from financing activities	(57,406)	51,378
Net increase in cash and cash equivalents	6,922	8,474
Cash and cash equivalents at beginning of the year	83,617	75,281
Effect of foreign exchange rate changes	1,640	(138)
Cash and cash equivalents at end of the year,		
representing by bank balances and cash	92,179	83,617