

Consolidated Cash Flow Statement

For the period from 1 April 2006 to 30 September 2006

| | 1.4.2006 to 30.9.2006 HK\$ | 1.4.2005 to 31.3.2006 HK\$ |
|------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Cash flows from operating activities | | |
| Profit before taxation | 18,762,807 | 20,011,671 |
| Adjustments for: | | |
| Interest income | (1,754,357) | (1,330,019) |
| Interests on bank borrowings | 2,347,654 | 1,937,968 |
| Interests on obligations under finance leases | 185,606 | 90,054 |
| Expenses on retirement benefit plan | 2,315,750 | — |
| Share of result of an associate | (236,000) | — |
| Discount on acquisition | (26,200,681) | — |
| Gain on disposal of property, plant and equipment | — | (307,031) |
| Depreciation of property, plant and equipment | 6,634,250 | 11,463,004 |
| Release of prepaid lease payments | 8,697 | 17,394 |
| Allowance for bad and doubtful debts | 1,618,723 | 640,697 |
| Write-off of inventories | 5,239,023 | — |
| Impairment loss on goodwill | — | 628,931 |
| Gain arising from changes in fair value of investment properties | — | (1,000,000) |
| Share-based payment expenses | 126,000 | 250,273 |
| Operating cash flows before movements in working capital | 9,047,472 | 32,402,942 |
| Increase in inventories | (11,800,335) | (1,062,854) |
| Increase in debtors and prepayments | (28,646,741) | (5,065,031) |
| Increase (decrease) in creditors and accrued charges | 70,167,953 | (5,587,028) |
| Decrease in provisions | (4,248,000) | — |
| Decrease in retirement benefit obligations | (5,029,750) | — |
| Net cash generated from operations | 29,490,599 | 20,688,029 |
| Income taxes paid | (1,336,821) | (2,398,838) |
| Net cash from operating activities | 28,153,778 | 18,289,191 |

Consolidated Cash Flow Statement

For the period from 1 April 2006 to 30 September 2006

| | NOTE | 1.4.2006 to 30.9.2006 HK\$ | 1.4.2005 to 31.3.2006 HK\$ |
|-------------------------------------------------------------------------|------|-------------------------------------|-------------------------------------|
| Cash flows from investing activities | | | |
| Purchases of property, plant and equipment | | (5,415,696) | (5,814,367) |
| Interest received | | 1,754,357 | 1,330,019 |
| Increase in pledged bank deposits | | — | (5,000,000) |
| Proceeds from disposal of property, plant and equipment | | — | 11,514,932 |
| Net proceeds received from disposal of investment properties | | — | 7,500,000 |
| Acquisition of subsidiaries (net of cash and cash equivalents acquired) | 31 | 37,041,118 | — |
| Net cash from investing activities | | 33,379,779 | 9,530,584 |
| Cash flows from financing activities | | | |
| Principal repayments for obligations under finance leases | | (1,713,997) | (893,108) |
| Interests paid on bank borrowings | | (2,347,654) | (1,937,968) |
| Interests paid on obligations under finance leases | | (185,606) | (90,054) |
| Net cash inflow (outflow) in trust receipts and export loans | | 17,692,214 | (396,215) |
| Repayment of bank loans | | (3,788,831) | (5,123,426) |
| New bank loans raised | | 30,511,353 | 7,335,250 |
| Net cash from (used in) financing activities | | 40,167,479 | (1,105,521) |
| Net increase in cash and cash equivalents | | 101,701,036 | 26,714,254 |
| Effect of foreign exchange rate changes | | (4,112,836) | (28,205) |
| Cash and cash equivalents at beginning of the period | | 61,958,897 | 35,272,848 |
| Cash and cash equivalents at end of the period | | 159,547,097 | 61,958,897 |
| Analysis of the balances of cash and cash equivalents | | | |
| Bank balances and cash | | 330,337,347 | 61,958,897 |
| Bank overdrafts | | (170,790,250) | — |
| | | 159,547,097 | 61,958,897 |