

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 30 September 2006

	2006	2005
	HK\$'000	HK\$'000 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	87,438	67,425
Adjustments for:		
Interest income	(482)	(23)
Finance costs	13,495	10,773
Depreciation	36,603	32,389
Amortisation of prepaid land lease payments	309	603
Loss on disposal of property, plant and equipment	1,016	—
(Reversal)/deficit on revaluation of buildings	(841)	890
Amortisation of goodwill	—	6,027
Amortisation of technical know-how	971	292
Impairment loss on property, plant and equipment	2,000	—
Forfeiture of deposit paid for investment in a joint venture	—	1,905
Write off of trade receivables	—	961
Write off of other receivables	—	70
Allowance for slow-moving inventories	—	348
Employee share option benefits	4,164	—
Operating profit before working capital changes	144,673	121,660
Change in inventories	(23,299)	(9,166)
Change in trade receivables	(37,977)	204
Change in prepayments, deposits and other receivables	(13,860)	16,028
Change in trade payables	100	(7,299)
Change in other payables and accruals	9,964	13,674
Change in amount due to a related company	2,913	—
Cash generated from operations	82,514	135,101
Tax paid	(1,903)	(1,730)
Net cash from operating activities	80,611	133,371
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(46,981)	(70,356)
Proceeds from disposal of property, plant and equipment	1,078	—
Acquisition of technical know-how	—	(9,710)
Acquisition of investment securities	—	(1,036)
Additions of goodwill	—	(4,067)
Refund of deposits for acquisition of long-term assets	—	14,151
Deposits paid for acquisition of long-term assets	(28,000)	(21,296)
Interest received	482	23
Net cash used in investing activities	(73,421)	(92,291)

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For the year ended 30 September 2006

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CASH FLOWS FROM FINANCING ACTIVITIES		
Inception of new bank loans	282,050	187,233
Repayment of bank loans	(190,056)	(147,961)
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	26,544	65
Finance costs paid	(13,495)	(10,773)
Dividends paid	(8,805)	(16,265)
Net cash from financing activities	96,238	12,247
INCREASE IN CASH AND CASH EQUIVALENTS	103,428	53,327
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	88,367	30,501
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	2	4,539
CASH AND CASH EQUIVALENTS AT END OF YEAR	191,797	88,367
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS AT END OF YEAR		
Cash and bank balances	191,797	88,367