## CONSOLIDATED CASH FLOW STATEMENT

For the year ended 30 September 2005

CASH FLOWS FROM OPERATING ACTIVITIES           Profit from operating activities         80,572         73,40           Adjustments for:         (23)         (21           Interest income         (23)         (21           Depreciation         33,445         19,03           Gain on disposal of property, plant and equipment         -         (2           Deficit on revaluation of leasehold land and buildings         696           Write off of property, plant and equipment         -         8,21           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         1,16           Operating profit before working capital changes         121,661         101,57           Increase in inventories         (9,166)         (33,07           Decrease/(increase) in prepayments, deposits and other receivables         204         (33,26           Decrease/(increase) in prepayments, deposits and other receivables         (7,299)         24,44           Increase in		Note	2005 HK\$'000	2004 HK\$'000
Profit from operating activities         80,572         73,40           Adjustments for:         Interest income         (23)         (21           Depreciation         33,445         19,03           Gain on disposal of property, plant and equipment         -         (2           Deficit on revaluation of leasehold land and buildings         696           Write off of property, plant and equipment         -         8,21           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         1,16           Operating profit before working capital changes         121,661         101,57           Increase in inventories         (9,166)         (33,07           Decrease/(increase) in trade receivables         204         (33,26           Decrease/(increase) in prepayments, deposits and other receivables         (7,299)         2,44           Increase in other payables and accruals         13,674         9,55	CASH FLOWS FROM OPERATING ACTIVITIES	Note	11K\$ 000	111000
Adjustments for:         Interest income         (23)         (21)           Depreciation         33,445         19,03         Gain on disposal of property, plant and equipment         -         (2           Deficit on revaluation of leasehold land and buildings         696         -         8,21           Write off of property, plant and equipment         -         8,21           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         1,16           Operating profit before working capital changes         121,661         101,57           Increase in inventories         (9,166)         (33,07           Decrease/(increase) in trade receivables         204         (33,26           Decrease/(increase) in prepayments, deposits and other receivables         16,028         (21,32           (Decrease)/increase in trade payables         (7,299)         2,44           Increase in other payables and accruals         13,674         9,55           Cash generated from operating acti			80,572	73,401
Interest income			00,072	70,101
Depreciation         33,445         19,03           Gain on disposal of property, plant and equipment         -         (2           Deficit on revaluation of leasehold land and buildings         696           Write off of property, plant and equipment         -         8,21           Amortisation of goodwill         3,395         Amortisation of technical know-how         292           Forfeiture of deposit paid for investment in a joint venture         1,905         Forfeiture of deposit paid for investment in a joint venture         1,905           Write off of other receivables         70         Provision for slow-moving inventories         348         1,16           Operating profit before working capital changes         121,661         101,57           Increase in inventories         (9,166)         (33,07           Decrease/(increase) in trade receivables         204         (33,26           Decrease/(increase) in prepayments, deposits and other receivables         16,028         (21,32           (Decrease)/increase in trade payables         (7,299)         2,44           Increase in other payables and accruals         135,102         25,91           Tax paid         (1,730)         (1,30           Net cash inflow from operating activities         133,372         24,60           CASH FLOWS FROM INVESTING AC	•		(23)	(218)
Gain on disposal of property, plant and equipment         -         (2           Deficit on revaluation of leasehold land and buildings         696           Write off of property, plant and equipment         -         8,21           Amortisation of goodwill         3,395         3,395           Amortisation of technical know-how         292         50         292           Forfeiture of deposit paid for investment in a joint venture         1,905         40           Write off of trade receivables         961         70           Write off of other receivables         70         70           Provision for slow-moving inventories         348         1,16           Operating profit before working capital changes         121,661         101,57           Increase in inventories         (9,166)         (33,07           Decrease/(increase) in trade receivables         204         (33,26           Decrease/(increase) in prepayments, deposits and other receivables         16,028         (21,32           (Decrease)/increase in trade payables         (7,299)         2,44           Increase in other payables and accruals         13,674         9,55           Cash generated from operations         135,102         25,91           Tax paid         (1,730)         (1,30			•	19,034
Deficit on revaluation of leasehold land and buildings         696           Write off of property, plant and equipment         -         8,21           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         1,16           Operating profit before working capital changes         121,661         101,57           Increase in inventories         (9,166)         (33,07           Decrease/(increase) in trade receivables         204         (33,26           Decrease/(increase) in prepayments, deposits and other receivables         16,028         (21,32           (Decrease)/(increase in trade payables         (7,299)         2,44           Increase in other payables and accruals         13,674         9,55           Cash generated from operations         135,102         25,91           Tax paid         (1,730)         (1,30           Net cash inflow from operating activities         133,372         24,60           CASH FLOWS FROM INVESTING ACTIVITIES         (70,356)			, _	(20)
Write off of property, plant and equipment       -       8,21         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       1,16         Operating profit before working capital changes       121,661       101,57         Increase in inventories       (9,166)       (33,07         Decrease/(increase) in trade receivables       204       (33,26         Decrease/(increase) in prepayments, deposits and other receivables       16,028       (21,32         (Decrease)/(increase in trade payables       (7,299)       2,44         Increase in other payables and accruals       13,674       9,55         Cash generated from operations       135,102       25,91         Tax paid       (1,730)       (1,30         Net cash inflow from operating activities       133,372       24,60         CASH FLOWS FROM INVESTING ACTIVITIES         Purchases of property, plant and equipment       (70,356)       (94,82         Disposal of subsidiaries       27(a)       - <td< td=""><td></td><td></td><td>696</td><td>_</td></td<>			696	_
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       1,16         Operating profit before working capital changes       121,661       101,57         Increase in inventories       (9,166)       (33,07         Decrease/(increase) in trade receivables       204       (33,26         Decrease/(increase) in prepayments, deposits and other receivables       16,028       (21,32         (Decrease)/increase in trade payables       (7,299)       2,44         Increase in other payables and accruals       13,674       9,55         Cash generated from operations       135,102       25,91         Tax paid       (1,730)       (1,30         Net cash inflow from operating activities       133,372       24,60         CASH FLOWS FROM INVESTING ACTIVITIES       27(a)       -       (2         Purchases of property, plant and equipment       (70,356)       (94,82       0         Disposal of subsidiaries       27(b)       -       (77,61         Acquisition of subsidiaries </td <td>· · · · · · · · · · · · · · · · · · ·</td> <td></td> <td>_</td> <td>8,217</td>	· · · · · · · · · · · · · · · · · · ·		_	8,217
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 the receivables 70 Provision for slow-moving inventories 348 1,16 Operating profit before working capital changes 121,661 101,57 Increase in inventories (9,166) (33,07 Decrease/(increase) in trade receivables 204 (33,26 Decrease/(increase) in prepayments, deposits and other receivables 16,028 (21,32 (Decrease)/increase in other payables 14,674 9,55 Cash generated from operations 135,102 25,91 Tax paid (1,730) (1,30 Net cash inflow from operating activities 133,372 24,60  CASH FLOWS FROM INVESTING ACTIVITIES Purchases of property, plant and equipment (70,356) (94,82 Disposal of subsidiaries 27(a) - (2 Acquisition of subsidiaries 27(b) - (77,61 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 (21,296) (16,05)			3,395	_
Write off of trade receivables       961         Write off of other receivables       70         Provision for slow-moving inventories       348       1,16         Operating profit before working capital changes       121,661       101,57         Increase in inventories       (9,166)       (33,07         Decrease/(increase) in trade receivables       204       (33,26         Decrease/(increase) in prepayments, deposits and other receivables       16,028       (21,32         (Decrease)/increase in trade payables       (7,299)       2,44         Increase in other payables and accruals       13,674       9,55         Cash generated from operations       135,102       25,91         Tax paid       (1,730)       (1,30         Net cash inflow from operating activities       133,372       24,60         CASH FLOWS FROM INVESTING ACTIVITIES         Purchases of property, plant and equipment       (70,356)       (94,82         Disposal of subsidiaries       27(a)       -       (2         Acquisition of subsidiaries       27(b)       -       (77,61         Acquisition of technical know-how       (9,710)         Acquisition of interests in investment securities       (1,036)         Additions of goodwill       (4,067)				_
Write off of other receivables       70         Provision for slow-moving inventories       348       1,16         Operating profit before working capital changes       121,661       101,57         Increase in inventories       (9,166)       (33,07         Decrease/(increase) in trade receivables       204       (33,26         Decrease/(increase) in prepayments, deposits and other receivables       16,028       (21,32         (Decrease)/increase in trade payables       (7,299)       2,44         Increase in other payables and accruals       13,674       9,55         Cash generated from operations       135,102       25,91         Tax paid       (1,730)       (1,30         Net cash inflow from operating activities       133,372       24,60         CASH FLOWS FROM INVESTING ACTIVITIES       Value       C70,356       (94,82         Disposal of subsidiaries       27(a)       -       (2         Acquisition of subsidiaries       27(b)       -       (77,61         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       14,84       14,067	Forfeiture of deposit paid for investment in a joint venture		1,905	_
Provision for slow-moving inventories         348         1,16           Operating profit before working capital changes         121,661         101,57           Increase in inventories         (9,166)         (33,07           Decrease/(increase) in trade receivables         204         (33,26           Decrease/(increase) in prepayments, deposits and other receivables         16,028         (21,32           (Decrease)/increase in trade payables         (7,299)         2,44           Increase in other payables and accruals         13,674         9,55           Cash generated from operations         135,102         25,91           Tax paid         (1,730)         (1,30           Net cash inflow from operating activities         133,372         24,60           CASH FLOWS FROM INVESTING ACTIVITIES         Valuable of Subsidiaries         27(a)         -         (2           Purchases of property, plant and equipment         (70,356)         (94,82         (9,782           Disposal of subsidiaries         27(a)         -         (2           Acquisition of subsidiaries         27(b)         -         (77,61           Acquisition of interests in investment securities         (1,036)         (4,067)           Additions of goodwill         (4,067)         (4,067)	Write off of trade receivables		961	_
Operating profit before working capital changes Increase in inventories (9,166) (33,07 Decrease/(increase) in trade receivables Decrease/(increase) in prepayments, deposits and other receivables (Decrease)/increase in trade payables (Decrease)/increase in trade payables (T,299) 2,44 Increase in other payables and accruals (13,674 9,55 Cash generated from operations Tax paid (1,730) (1,30 Net cash inflow from operating activities  CASH FLOWS FROM INVESTING ACTIVITIES Purchases of property, plant and equipment (70,356) (94,82 Disposal of subsidiaries 27(a) - (2 Acquisition of subsidiaries 27(b) - (77,61 Acquisition of technical know-how (9,710) Acquisition of fechnical know-how (9,710) Acquisition of goodwill (4,067) Refund of deposits paid for acquisition of long-term assets (11,296) (16,05)	Write off of other receivables		70	-
Increase in inventories (9,166) (33,07  Decrease/(increase) in trade receivables 204 (33,26  Decrease/(increase) in prepayments, deposits and other receivables 16,028 (21,32  (Decrease)/increase in trade payables (7,299) 2,44  Increase in other payables and accruals 13,674 9,55  Cash generated from operations 135,102 25,91  Tax paid (1,730) (1,30)  Net cash inflow from operating activities 133,372 24,60  CASH FLOWS FROM INVESTING ACTIVITIES  Purchases of property, plant and equipment (70,356) (94,82  Disposal of subsidiaries 27(a) - (2  Acquisition of subsidiaries 27(b) - (77,61  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 (21,296) (16,05)	Provision for slow-moving inventories		348	1,162
Decrease/(increase) in trade receivables  Decrease/(increase) in prepayments, deposits and other receivables  (Decrease)/increase in trade payables  (Decrease)/increase in trade payables  (Decrease)/increase in trade payables  (T,299)  2,44  Increase in other payables and accruals  13,674  9,55  Cash generated from operations  Tax paid  (1,730)  Net cash inflow from operating activities  133,372  24,60  CASH FLOWS FROM INVESTING ACTIVITIES  Purchases of property, plant and equipment  (70,356)  Disposal of subsidiaries  27(a)  Acquisition of subsidiaries  27(b)  Acquisition of technical know-how  (9,710)  Acquisition of interests in investment securities  Additions of goodwill  Refund of deposits paid for acquisition of long-term assets  (21,296)  (16,05)	Operating profit before working capital changes		121,661	101,576
Decrease/(increase) in prepayments, deposits and other receivables  (Decrease)/increase in trade payables (T,299) 2,44 Increase in other payables and accruals 13,674 9,55 Cash generated from operations 135,102 25,91 Tax paid (1,730) (1,30) Net cash inflow from operating activities 133,372 24,60  CASH FLOWS FROM INVESTING ACTIVITIES Purchases of property, plant and equipment (70,356) Disposal of subsidiaries 27(a) - (2 Acquisition of subsidiaries 27(b) - Acquisition of technical know-how (9,710) Acquisition of interests in investment securities (1,036) Additions of goodwill Refund of deposits paid for acquisition of long-term assets (21,296) (16,05)	Increase in inventories		(9,166)	(33,073)
(Decrease)/increase in trade payables (Increase in other payables and accruals Increase in other payables in accrual accruals Increase in other payables and accruals Increase in other payables in accrual accruals Increase in other payables and accruals Increase in other payables Increase i	Decrease/(increase) in trade receivables		204	(33,263)
Increase in other payables and accruals  Cash generated from operations  Tax paid  (1,730)  Net cash inflow from operating activities  133,372  24,60  CASH FLOWS FROM INVESTING ACTIVITIES  Purchases of property, plant and equipment  (70,356)  Disposal of subsidiaries  27(a)  Acquisition of subsidiaries  27(b)  -  (77,61  Acquisition of technical know-how  (9,710)  Acquisition of interests in investment securities  Additions of goodwill  Refund of deposits paid for acquisition of long-term assets  Deposits paid for acquisition of long-term assets  (11,036)  14,151  14,84  Deposits paid for acquisition of long-term assets  (21,296)  (16,05)	Decrease/(increase) in prepayments, deposits and other receivables		16,028	(21,324)
Cash generated from operations  Tax paid  (1,730)  Net cash inflow from operating activities  133,372  24,60  CASH FLOWS FROM INVESTING ACTIVITIES  Purchases of property, plant and equipment  (70,356)  Disposal of subsidiaries  27(a)  -  (2  Acquisition of subsidiaries  27(b)  -  (77,61  Acquisition of interests in investment securities  Acquisition of interests in investment securities  Additions of goodwill  Refund of deposits paid for acquisition of long-term assets  Deposits paid for acquisition of long-term assets  (21,296)  (1,30  (77,356)  (94,82  (77,61  (77,61  (4,067)  (4,067)  (4,067)  (4,067)  (16,05)	(Decrease)/increase in trade payables		(7,299)	2,446
Tax paid (1,730) (1,30)  Net cash inflow from operating activities 133,372 24,60  CASH FLOWS FROM INVESTING ACTIVITIES  Purchases of property, plant and equipment (70,356) (94,82)  Disposal of subsidiaries 27(a) - (2  Acquisition of subsidiaries 27(b) - (77,61)  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 14,84  Deposits paid for acquisition of long-term assets (21,296) (16,05)	Increase in other payables and accruals		13,674	9,552
Net cash inflow from operating activities  CASH FLOWS FROM INVESTING ACTIVITIES  Purchases of property, plant and equipment  Disposal of subsidiaries  Acquisition of subsidiaries  Acquisition of technical know-how  Acquisition of interests in investment securities  Additions of goodwill  Refund of deposits paid for acquisition of long-term assets  Deposits paid for acquisition of long-term assets  133,372  24,60  (70,356)  (94,82  27(a)  - (2  27(b)  - (77,61  (1,036)  (4,067)  14,151  14,84  Deposits paid for acquisition of long-term assets  (21,296)  (16,05)	Cash generated from operations		135,102	25,914
CASH FLOWS FROM INVESTING ACTIVITIES  Purchases of property, plant and equipment (70,356) (94,82 Disposal of subsidiaries 27(a) - (2 Acquisition of subsidiaries 27(b) - (77,61 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 14,84 Deposits paid for acquisition of long-term assets (21,296) (16,05)	Tax paid		(1,730)	(1,305)
Purchases of property, plant and equipment (70,356) (94,82)  Disposal of subsidiaries 27(a) - (2  Acquisition of subsidiaries 27(b) - (77,61)  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 14,84  Deposits paid for acquisition of long-term assets (21,296) (16,05)	Net cash inflow from operating activities		133,372	24,609
Disposal of subsidiaries 27(a) – (2 Acquisition of subsidiaries 27(b) – (77,61 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 14,84 Deposits paid for acquisition of long-term assets (21,296) (16,05)	CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of subsidiaries 27(b) - (77,61 Acquisition of technical know-how (9,710) Acquisition of interests in investment securities (1,036) Additions of goodwill Refund of deposits paid for acquisition of long-term assets 14,151 14,84 Deposits paid for acquisition of long-term assets (21,296) (16,05)	Purchases of property, plant and equipment		(70,356)	(94,826)
Acquisition of technical know-how  Acquisition of interests in investment securities  Additions of goodwill  Refund of deposits paid for acquisition of long-term assets  Deposits paid for acquisition of long-term assets  (21,296)  (1,036)  14,151  14,84	Disposal of subsidiaries	27(a)	-	(22)
Acquisition of interests in investment securities  Additions of goodwill  Refund of deposits paid for acquisition of long-term assets  14,151  14,84  Deposits paid for acquisition of long-term assets  (21,296)  (16,05)	Acquisition of subsidiaries	27(b)	-	(77,614)
Additions of goodwill  Refund of deposits paid for acquisition of long-term assets  14,151  14,84  Deposits paid for acquisition of long-term assets  (21,296)  (16,05)	Acquisition of technical know-how		(9,710)	-
Refund of deposits paid for acquisition of long-term assets  14,151  14,84  Deposits paid for acquisition of long-term assets  (21,296)  (16,05)	Acquisition of interests in investment securities		(1,036)	-
Deposits paid for acquisition of long-term assets (21,296) (16,05	Additions of goodwill		(4,067)	-
	Refund of deposits paid for acquisition of long-term assets		14,151	14,849
Interest received 23 21	Deposits paid for acquisition of long-term assets		(21,296)	(16,056)
<u></u>	Interest received		23	218
Net cash outflow from investing activities (92,291) (173,45	Net cash outflow from investing activities		(92,291)	(173,451)

## CONSOLIDATED CASH FLOW STATEMENT

For the year ended 30 September 2005

	2005	2004
	HK\$'000	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)
Net cash inflow from financing activities	12,247	64,806
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	
CASH AND CASH EQUIVALENTS AT END OF YEAR	88,367	30,501
ANALYSIS OF BALANCES OF CASH		
AND CASH EQUIVALENTS AT END OF YEAR		
Cash and bank balances	88,367	30,501