

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 30 June 2006

	2006 HK\$'000	2005 HK\$'000 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	125,923	105,221
Adjustments for:		
Finance costs	8,980	2,400
Share of profits of associates	(6,116)	(13,869)
Interest income	(5,774)	(516)
Share-based payment expenses	4,729	–
Loss on deemed disposal of an associate	1,889	–
Depreciation	5,615	1,847
Amortisation of goodwill	–	2,508
Amortisation of prepaid land lease payments	237	151
Amortisation of other intangible assets	4,950	2,100
Fixed assets written off	43	–
Operating profit before working capital changes	140,476	99,842
Increase in inventories	(30,848)	(22,190)
Increase in trade and other receivables	(35,951)	(35,265)
Increase in trade and other payables	12,608	7,520
Increase in amount due from associates	(623)	(119)
Cash generated from operations	85,662	49,788
Income taxes paid	(64)	(23)
Interest paid	(8,954)	(2,376)
Finance lease charges paid	(26)	(24)
Net cash generated from operating activities	76,618	47,365
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of subsidiaries, net of cash acquired	(105,671)	–
Acquisition of further interests in associates, net of cash acquired	(99,060)	(86,139)
Interest received	5,774	516
Purchases of fixed assets	(34,395)	(1,327)
Purchase of other intangible assets	(58,500)	–
Increase in prepaid land lease payments	(3,846)	–
Increase in construction in progress	(11,615)	(40,917)
Net cash used in investing activities	(307,313)	(127,867)

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CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of bank loans	(9,126)	(6,000)
Drawdown of bank loans	–	102,627
(Decrease)/increase in import loans	(29,923)	23,129
Repayment of capital element of finance lease	(165)	(160)
Capital injection by a minority shareholder	–	35
Proceeds from issue of share capital	535,186	49,548
Dividends paid to equity holders of the Company	(9,890)	(11,859)
Net cash generated from financing activities	486,082	157,320
NET INCREASE IN CASH AND CASH EQUIVALENTS	255,387	76,818
Effect of foreign exchange rate changes	(1,113)	–
CASH AND CASH EQUIVALENTS AT 1 JULY	160,296	83,478
CASH AND CASH EQUIVALENTS AT 30 JUNE	414,570	160,296
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Bank and cash balances	414,570	160,296