

## CONSOLIDATED CASH FLOW STATEMENT

For the year ended 30 June 2002

|  | NOTES | 2002<br>HK\$'000    | 2001<br>HK\$'000     |
|--|-------|---------------------|----------------------|
| NET CASH OUTFLOW FROM<br>OPERATING ACTIVITIES        | 18    | <u>(26,974)</u>     | <u>(77,850)</u>      |
| CASH INFLOW FROM RETURNS ON<br>INVESTMENTS           |       |                     |                      |
| Interest received                                    |       | <u>244</u>          | <u>519</u>           |
| INVESTING ACTIVITIES                                 |       |                     |                      |
| Increase in deposit                                  |       | (150,943)           | -                    |
| Purchase of investment securities                    |       | (650)               | -                    |
| Purchase of property, plant and equipment            |       | <u>(928)</u>        | <u>(106)</u>         |
| CASH OUTFLOW FROM INVESTING ACTIVITIES               |       | <u>(152,521)</u>    | <u>(106)</u>         |
| NET CASH OUTFLOW BEFORE FINANCING                    |       | <u>(179,251)</u>    | <u>(77,437)</u>      |
| FINANCING  | 19    |                     |                      |
| Proceeds from issue of shares                        |       | 55,000              | 75,326               |
| Exercise of warrants                                 |       | 165,000             | -                    |
| Net borrowings raised                                |       | -                   | 24,089               |
| Repayment of borrowings                              |       | <u>(64,106)</u>     | <u>-</u>             |
| NET CASH INFLOW FROM FINANCING                       |       | <u>155,894</u>      | <u>99,415</u>        |
| (DECREASE) INCREASE IN CASH AND<br>CASH EQUIVALENTS  |       | <u>(23,357)</u>     | <u>21,978</u>        |
| CASH AND CASH EQUIVALENTS AT<br>BEGINNING OF YEAR    |       | <u>29,877</u>       | <u>7,899</u>         |
| Effect of changes in exchange rate                   |       | <u>157</u>          | <u>-</u>             |
| CASH AND CASH EQUIVALENTS AT END OF YEAR             |       | <u><u>6,677</u></u> | <u><u>29,877</u></u> |
| ANALYSIS OF BALANCES OF CASH<br>AND CASH EQUIVALENTS |       |                     |                      |
| Bank balances and cash                               |       | <u><u>6,677</u></u> | <u><u>29,877</u></u> |