

Consolidated Cash Flow Statement

For the year ended 30 April 2003

	Notes	2003 HK\$'000	2002 HK\$'000
Cash flows from operating activities			
Loss before taxation		(27,843)	(341,661)
Adjustments for:			
Interest income		(579)	(5,076)
Interest expenses		569	204
Share of losses of associates		12,806	1,542
Amortisation of goodwill		24,066	33,311
Impairment of goodwill		–	157,135
Provision for slow moving inventories		6,197	–
Provision for doubtful debts		4,500	–
Waiver of other payables		(7,202)	–
Depreciation and amortisation of property, plant and equipment		2,060	3,044
Loss on disposal of property, plant and equipment		895	853
(Gain)/Loss on disposal of subsidiaries		(30,895)	47,732
Loss on disposal of investment securities		–	74,546
Loss on assignment of loans to an investee company		–	5,053
Operating loss before working capital changes		(15,426)	(23,317)
Increase in inventories		(6,000)	(197)
Decrease in receivables, deposits and prepayments		3,264	534
Increase/(Decrease) in other payables		403	(8,726)
Net cash used in operating activities		(17,759)	(31,706)
Cash flows from investing activities			
Purchase of subsidiaries	24(a)	–	(155,186)
Disposal of subsidiaries	24(b)	9,847	(514)
Proceeds from disposal of property, plant and equipment		1,336	181
Purchase of property, plant and equipment		(1,477)	(6,646)
Proceeds from disposal of investments securities		–	14,594
Payments to acquire investment securities		–	(46)
Payments for deposits for properties		(11)	–
Loans to an investee company		–	(16,698)
Loan to a third party	17	(23,000)	–
Repayment from an investee company		–	11,447
Interest received		10	5,234
Deposit received from disposal of subsidiaries	4	3,600	–
Net cash used in investing activities		(9,695)	(147,634)

Consolidated Cash Flow Statement (continued)

For the year ended 30 April 2003

	2003 HK\$'000	2002 HK\$'000
Cash flows from financing activities		
New bank loans raised	23,585	–
Loan from a shareholder	2,890	–
Net proceeds from issue of shares	–	36,321
Repayment of bank loans	–	(197)
Interest paid	(569)	(204)
Capital contribution from minority interest	48	–
Net cash generated from financing activities	25,954	35,920
Decrease in cash and cash equivalents	(1,500)	(143,420)
Cash and cash equivalents at 1 May 2002	2,677	146,106
Effect of foreign exchange rate changes	–	(9)
Cash and cash equivalents at 30 April 2003	1,177	2,677
Analysis of the balances of cash and cash equivalents		
Cash at banks and in hand	1,177	2,677