

Consolidated Cash Flow Statement

For the Year Ended 30th June, 2003

	Note	2003 HK\$'000	2002 HK\$'000
OPERATING ACTIVITIES			
Loss before taxation		(60,957)	(33,270)
Adjustments for:			
Interest income		(90)	(115)
Interest expenses		643	1,631
Finance lease charges		7	6
Depreciation and amortisation		2,610	4,020
(Gain) loss on disposal of property, plant and equipment		(351)	2,325
Deficit on revaluation of investment properties		60	250
Impairment loss recognised in respect of goodwill		11,000	-
Loss attributable to investments		332	19,138
Loss (gain) on disposal of discontinuing operations		14,411	(35,392)
Operating loss before working capital changes		(32,335)	(41,407)
Decrease in inventories		2,298	439
Decrease (increase) in debtors, deposits and prepayments		23,631	(19,912)
Increase (decrease) in creditors and accrued charges		(3,622)	(3,336)
Cash used in operating activities		(10,028)	(64,216)
Hong Kong Profits Tax refunded		-	62
Hong Kong Profits Tax paid		-	(19)
Interest paid		(643)	(1,631)
Finance lease charges paid		(7)	(6)
Interest received		90	115
NET CASH USED IN OPERATING ACTIVITIES		(10,588)	(65,695)
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(1,200)	(4,848)
Proceeds from disposal of subsidiaries (net of cash and cash equivalents disposed of)	29	(696)	(1,275)
Proceeds from disposal of an associate		1,185	-
Proceeds from disposal of property, plant and equipment		459	7,799
Proceeds from disposal of investment in securities		-	2,491
Refund of payments made in connection with investment project		-	1,000
Deposits paid for investments		-	(973)
NET CASH (USED IN) FROM INVESTING ACTIVITIES		(252)	4,194

Consolidated Cash Flow Statement (continued)

For the Year Ended 30th June, 2003

	2003	2002
	HK\$'000	HK\$'000
FINANCING ACTIVITIES		
Issue of convertible notes for cash	10,000	20,600
Issue of shares for cash	3,103	45,000
Exercise of share options	1,069	-
Repayment of promissory note	(3,000)	-
Repayment of bank loans	-	(11,556)
Principal repayment of obligations under a finance lease	-	(61)
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NET CASH FROM FINANCING ACTIVITIES	11,172	53,983
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INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	332	(7,518)
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CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	6,077	13,595
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CASH AND CASH EQUIVALENTS AT END OF THE YEAR		
– representing bank balances and cash	6,409	6,077
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