

# Consolidated Cash Flow Statement

For the year ended 30 April 2004

	Notes	2004 HK\$'000	2003 HK\$'000
<b>OPERATING ACTIVITIES</b>			
Operating (loss)/profit for the year after finance costs		(34,690)	685,684
Adjustments for:			
Interest income		—	(2)
Finance costs		1,306	32,405
Net gain on deconsolidation and disposal of subsidiaries			
— Gain on deconsolidation and disposal of subsidiaries	26(a)	(4,782)	(132,780)
— Impairment loss on subsidiaries not consolidated		724	—
Waiver of indebtedness	26(b)	—	(676,062)
Provision/(overprovision) for accounts receivable		123	(2,110)
Provision for impairment loss on other asset		—	550
Losses on changes in fair values of short term listed investments		7,564	22,838
Provision for impairment losses on jointly controlled entities		16,301	50,000
Gain on disposal of fixed assets		—	(72)
Depreciation		12	13
<b>Operating loss before changes in working capital</b>		<b>(13,442)</b>	<b>(19,536)</b>
Increase in short term listed investments		(39,309)	(20,322)
Decrease in subsidiaries not consolidated		673	—
Decrease/(increase) in debtors and other receivables		3,457	(3,385)
(Increase)/decrease in prepayments and deposits		(38)	17
Increase in temporary deposits, accounts payable and accruals		10,590	2,057
Increase in amounts due to directors		—	36
Exchange translation differences		—	117
<b>Cash used in operations</b>		<b>(38,069)</b>	<b>(41,016)</b>
Tax paid:			
— Overseas tax		—	(99)
— Hong Kong Profits Tax		—	(6)
<b>Net cash used in operating activities</b>		<b>(38,069)</b>	<b>(41,121)</b>
<b>INVESTING ACTIVITIES</b>			
Interest received		—	2
Net cash outflow in respect of deconsolidation and disposal of subsidiaries	26(a)	(54)	(452)
Proceeds on disposal of fixed assets		—	1,025
Purchase of fixed assets		(238)	(51)
Decrease in pledged bank deposit		—	218
Increase in net amounts due from jointly controlled entities		—	(9,946)
<b>Net cash used in investing activities</b>		<b>(292)</b>	<b>(9,204)</b>

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	2004 HK\$'000	2003 HK\$'000
<b>FINANCING ACTIVITIES</b>		
Partial settlement of dividend paid in full discharge of dividend payable	—	(29)
Repayment of bank and other loans	—	(10,954)
Repayment of promissory notes	—	(16,265)
Proceeds from issue of convertible notes	—	20,000
Proceeds on issue of shares	<b>105,000</b>	57,600
Share issue expenses	<b>(1,460)</b>	—
Interest paid	<b>(1,306)</b>	—
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<b>Net cash generated from financing</b>	<b>102,234</b>	50,352
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<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>63,873</b>	27
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>1,565</b>	(22,106)
DISCHARGE OF BANK OVERDRAFTS UNDER THE SCHEMES OF ARRANGEMENT	—	23,644
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<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>		
— Cash and bank balances	<b>65,438</b>	1,565
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