



CONSOLIDATED CASH FLOW STATEMENT

For the year ended 30 June 2004

	<i>Note</i>	2004 HK\$'000	2003 HK\$'000
Cash flows from operating activities			
Profit before taxation		53,058	47,674
Adjustments for:			
Interest income		(1,017)	(655)
Interest expenses		508	5,324
Depreciation of fixed assets		7,656	7,829
Amortisation of goodwill		1,410	1,410
Loss on disposal of subsidiaries		–	10,251
Loss on disposal of fixed assets		49	61
Translation adjustments		–	2,342
Operating profit before working capital changes		61,664	74,236
Increase in inventories		(323)	(152)
Decrease (Increase) in prepayments and other receivables		(825)	48
Increase in trade receivables		(57,155)	(49,197)
Increase in trade payables		380	3,588
Increase (Decrease) in accruals and other payables		(18,854)	6,259
Cash generated from (used in) operations		(15,113)	34,782
Interest paid		(508)	(5,325)
Interest received		1,017	–
<i>Net cash from (used in) operating activities</i>		(14,604)	29,457
Cash flows from investing activities			
Increase in loans receivable		(47,017)	(40,600)
Repayment of loans receivable		50,319	–
Net cash outflow from disposal of subsidiaries	<i>30a</i>	–	10,105
Purchase of fixed assets		(363)	(1,188)
Proceeds from disposal of fixed assets		–	29
Translation adjustments		–	(1,810)
<i>Net cash from (used in) investing activities</i>		2,939	(33,464)



CONSOLIDATED CASH FLOW STATEMENT

For the year ended 30 June 2004

	<i>Note</i>	2004 HK\$'000	2003 HK\$'000
Cash flows from financing activities			
Proceeds from issuance of secured guaranteed floating rate notes		39,000	–
Repayment of secured guaranteed floating rate notes		(7,508)	–
Repayment of long-term loan		–	(60,140)
Advances from directors		3,952	4,780
Repayment to directors		(4,347)	(1,653)
<i>Net cash from (used in) financing activities</i>		31,097	(57,013)
Net increase (decrease) in cash and cash equivalents		19,432	(61,020)
Cash and cash equivalents at the beginning of the year		1,359	62,379
Cash and cash equivalents at the end of the year	<i>19</i>	20,791	1,359

The notes on pages 23 to 46 form part of these financial statements.