

## Consolidated Cash Flow Statement

For the year ended 31st July, 2002

	NOTES	2002 HK\$	2001 HK\$
<b>NET CASH OUTFLOW FROM OPERATING ACTIVITIES</b>	32	<b>(16,245,504)</b>	(12,032,481)
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			
Interest paid		(381,389)	(4,936,795)
Interest income		750,587	–
Dividend received		173,780	530,465
<b>NET CASH INFLOW (OUTFLOW) FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		<b>542,978</b>	(4,406,330)
<b>TAXATION</b>			
Hong Kong Profits Tax refunded		–	56,268
People's Republic of China Income Tax paid		(8,451)	–
Tax (paid) refunded		(8,451)	56,268
<b>INVESTING ACTIVITIES</b>			
Proceeds from repayment of promissory note receivables		12,000,000	–
Proceeds from disposal of investee company		12,000,000	–
Acquisition of subsidiaries	33	524,896	–
Net cash inflow from disposal of interests in subsidiaries	34	2	17,324,461
Proceeds from disposal of investment properties		–	37,000,000
Balance of consideration received on disposal of subsidiaries		–	2,737,226
Proceeds from disposal of property, plant and equipment		–	2,129,001
Proceeds from disposal of other securities		–	9,724,500
Increase in loan receivable		(1,000,000)	–
Purchase of property, plant and equipment		(700,000)	(661,576)
Acquisition of interest in a jointly controlled loan portfolio		–	(26,280,015)
Acquisition of an associate		–	(13,000,000)
Deposits paid for assessment of potential investments		–	(6,000,000)
Deposits and other costs paid for the acquisition of properties		–	(58,050)
Advance to an associate		–	(2,000)
<b>NET CASH INFLOW FROM INVESTING ACTIVITIES</b>		<b>22,824,898</b>	22,913,547

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For the year ended 31st July, 2002

	NOTES	2002 HK\$	2001 HK\$
<b>NET CASH INFLOW BEFORE FINANCING</b>		<b>7,113,921</b>	<b>6,531,004</b>
<b>FINANCING</b>	35		
Proceed from issue of shares on private placement		—	32,159,969
Advance from associates		—	50,000
Repayment of bank loans		(438,852)	(9,869,417)
Repayment of mortgage loans		—	(6,815,716)
Expenses paid in connection with the issue of shares		—	(436,725)
Repayment of obligations under finance leases		—	(15,176)
New bank loans obtained		<b>3,000,000</b>	—
<b>NET CASH INFLOW FROM FINANCING</b>		<b>2,561,148</b>	<b>15,072,935</b>
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>9,675,069</b>	<b>21,603,939</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>		<b>187,054</b>	<b>(21,416,885)</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR, representing bank balances and cash</b>		<b>9,862,123</b>	<b>187,054</b>