

Consolidated Cash Flow Statement

For the year ended 30 June 2004

<i>Notes</i>	2004 <i>HK\$'000</i>	2003 <i>HK\$'000</i>
OPERATING ACTIVITIES		
Loss before taxation	(7,653)	(24,166)
Adjustments for:		
Interest income	(780)	(584)
Interest expenses	4,637	4
Impairment loss recognised in respect of investment securities	-	650
Depreciation	602	612
Amortisation of goodwill	10	10
Loss on disposal of other investments	2,346	7,884
Gain on disposal of a subsidiary	(2,055)	-
Operating cash flows before movements in working capital	(2,893)	(15,590)
Increase in trade debtors	(28,353)	-
(Increase) decrease in prepayments and other receivables	(116,457)	7,719
Increase in other payables and accrued charges	8,099	403
NET CASH USED IN OPERATING ACTIVITIES	(139,604)	(7,468)
INVESTING ACTIVITIES		
Interest received	780	584
Decrease in deposits	-	150,943
Disposal of a subsidiary	3,013	-
Acquisition of subsidiaries	-	(259,097)
Purchase of investments in securities	(22,726)	(52,588)
Proceeds from disposal of investments in securities	2,371	44,704
Purchases of property, plant and equipment	(635)	(1,190)
NET CASH USED IN INVESTING ACTIVITIES	(17,197)	(116,644)

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FINANCING ACTIVITIES		
Bank loans raised	379,619	15,617
Net proceeds from issue of shares	–	109,357
Repayment of bank loans	(227,537)	–
Advance from a related company	–	13,212
Repayment to a related company	(10,749)	–
Interest paid	(4,637)	(4)
NET CASH FROM FINANCING ACTIVITIES	136,696	138,182
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(20,105)	14,070
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	20,747	6,677
CASH AND CASH EQUIVALENTS AT END OF YEAR	642	20,747
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	642	20,747