

# CONSOLIDATED CASH FLOW STATEMENT

For the year ended 30 September 2004

	Notes	2004 HK\$'000	2003 HK\$'000
<b>Cash flows from operating activities</b>			
Loss before taxation		(21,468)	(3,300)
Adjustments for:			
Depreciation and amortisation on property, plant and equipment		1,394	1,757
Amortisation of goodwill		6,577	—
Loss on disposal of property, plant and equipment		411	—
Provision for doubtful debt		2,523	—
Gain on disposal of subsidiaries		(20,534)	—
Interest expenses		235	185
Interest income		(119)	(321)
Operating loss before working capital changes		(30,981)	(1,679)
Decrease/(Increase) in inventories		21,133	(1,539)
(Increase)/Decrease in trade receivables, other receivables and deposits		(22,923)	18,253
Decrease in trade and other payables		(2,129)	(1,820)
Cash (used in)/generated from operations		(34,900)	13,215
Interest paid		(235)	(185)
Overseas tax paid		—	(142)
<i>Net cash (used in)/generated from operating activities</i>		(35,135)	12,888
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(216)	(208)
Net cash inflow in respect of the disposal of subsidiaries	23(a)	2,110	—
Net cash outflow in respect of the acquisition of a subsidiary	23(b)	(22,000)	(10,860)
Proceeds from redemption of other investment		—	999
Interest received		119	321
<i>Net cash used in investing activities</i>		(19,987)	(9,748)

# CONSOLIDATED CASH FLOW STATEMENT

For the year ended 30 September 2004

	Notes	2004 HK\$'000	2003 HK\$'000
<b>Cash flows from financing activities</b>			
Proceeds from issue of new shares		61,800	5,220
Payment of share issue expenses		(646)	—
New bank and other loans		3,113	3,926
Repayment of bank and other loans		(3,084)	(3,946)
Repayment of finance lease liabilities		(125)	(140)
Dividends paid		—	(4,000)
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<i>Net cash generated from financing activities</i>		61,058	1,060
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<b>Net increase in cash at banks</b>		5,936	4,200
<b>Exchange differences</b>		175	(331)
<b>Cash at banks at 1 October</b>		48,809	44,940
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<b>Cash at banks at 30 September</b>		54,920	48,809
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