

Consolidated Cash Flow Statement

Year ended 31 March 2003

	Notes	2003 HK\$'000	2002 HK\$'000 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		45,141	34,123
Adjustments for:			
Finance costs		2,552	3,482
Share of profits and losses of associates		11,409	(3,331)
Provision for impairment of goodwill of an associate		7,000	—
Provision for an amount due from an associate		3,400	—
Amortisation of goodwill of associates		16,454	4,482
Net holding loss/(gain) on investments	5, 6	570	(84)
Interest income from investments	5	(1,865)	(1,381)
Interest income	5	(9,007)	(6,340)
Dividend income from investments		(93)	(10)
Gain on disposal of subsidiaries		(17,031)	—
Gain on disposal of interests in an associate		(73,891)	—
Gain on disposal of investments, net	5	(200)	(8,546)
Provision/(write-back of provision) for and write-off of bad and doubtful debts	6	5,158	(903)
Provision for impairment of long term investments	6	637	—
Depreciation	6	15,000	15,813
Amortisation of trademarks and patents	6	5	2
Amortisation of goodwill of subsidiaries	6	947	25
Loss on disposal/write-off of fixed assets	6	1,061	614
Deficit on revaluation of investment properties	6	6,210	—
Recognition of deferred gain on disposal of subsidiaries	5	(944)	—
Operating profit before working capital changes		12,513	37,946
Decrease/(increase) in trade receivables, prepayments, deposits and other debtors		18,162	(26,494)
Increase in inventories		(171)	(7,293)
Decrease in properties held for re-sale		1,167	466
Increase/(decrease) in trade payables, other payables and accruals		(7,845)	4,016
Increase/(decrease) in deposits received and receipts in advance		(13,405)	3,438
Decrease in provisions for onerous contracts	6	(6,878)	(5,689)
Increase in deferred income		294	428

Consolidated Cash Flow Statement *(Continued)*

Year ended 31 March 2003

	Notes	2003 <i>HK\$'000</i>	2002 <i>HK\$'000</i> (Restated)
Cash generated from operations		3,837	6,818
Hong Kong profits tax refunded/(paid)		29	(2,301)
Net cash inflow from operating activities		3,866	4,517
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		9,007	6,340
Dividend income from investments		93	10
Dividend income from an associate		3,409	—
Interest income from investments		1,865	1,381
Increase in amounts due from associates		(18,498)	(66,147)
Purchase of a subsidiary	34(c)	(5,073)	(100)
Purchases of additional shares in a subsidiary	34(d)	300	—
Purchases of associates		(2,500)	(91,483)
Purchases of additional shares in associates		(28,935)	—
Net outflow of cash and cash equivalents in respect of the disposal of subsidiaries	34(e)	(8,227)	—
Proceeds from disposal of interests in an associate		41,521	1,300
Increase in deposit paid for purchase of fixed assets		—	(4,000)
Purchases of fixed assets		(60,622)	(16,152)
Purchases of investment properties		(88,646)	—
Proceeds from disposal of fixed assets		—	58
Proceeds from disposal of investments		5,200	54,991
Purchases of long term investments		(14,337)	(1,000)
Purchases of short term investments		—	(36,575)
Purchases of intangible assets		—	(235)
Net cash outflow from investing activities		(165,443)	(151,612)

Consolidated Cash Flow Statement *(Continued)*

Year ended 31 March 2003

	Notes	2003 HK\$'000	2002 HK\$'000 (Restated)
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest paid		(2,552)	(3,482)
Dividend paid to minority shareholders		(2,226)	(1,600)
Proceeds from issue of shares	31	39,000	285,347
Share issue expenses	31	(2,392)	(8,253)
Proceeds from issue of warrants	31	2,000	—
Warrant issue expenses		(265)	—
Repayment of bank loans		(24,145)	(19,416)
New bank loans		52,600	22,000
Capital element of finance lease rental payments		(58)	(58)
Contributions from minority shareholders		—	1,550
Net cash inflow from financing activities		61,962	276,088
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
		(99,615)	128,993
Cash and cash equivalents at beginning of year		313,806	184,813
CASH AND CASH EQUIVALENTS AT END OF YEAR			
		214,191	313,806
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	23	40,947	27,625
Non-pledged time deposits with original maturity of less than three months when acquired	23	173,244	286,181
		214,191	313,806