

# CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st March, 2003

	Notes	2003 HK\$'000	2002 HK\$'000
<b>OPERATING ACTIVITIES</b>			
(Loss)/profit before taxation		<b>(187,249)</b>	29,459
Adjustments for:			
Share of results of associates and jointly-controlled entities		<b>238,944</b>	29,418
Interest income		<b>(16,228)</b>	(17,490)
Interest expenses		<b>12,899</b>	21,491
Dividend income from unlisted investments in securities		<b>(435)</b>	–
Depreciation		<b>43,512</b>	40,200
Amortisation of permanent export quota entitlements		<b>2,185</b>	2,439
Gain on disposals of investments in securities		–	(950)
Gain on disposals of permanent textile quota entitlements		–	(1,004)
Gain on disposal of discontinued operation		–	(605)
Loss on write-off of interest in a jointly-controlled entity		<b>5</b>	–
Loss/(gain) on disposals of property, plant and equipment		<b>39</b>	(95)
Release of negative goodwill arising from deemed acquisition of an additional interest in a subsidiary		<b>(1,025)</b>	–
Unrealised loss on investments in securities		<b>831</b>	763
Impairment loss on goodwill arising from an associate acquired in previous years		<b>11,129</b>	–
Deficit arising from revaluation of investment properties		<b>100</b>	100
Operating cash flows before movements in working capital		<b>104,707</b>	103,726
(Increase)/decrease in inventories		<b>(26,189)</b>	6,590
Decrease in amounts due from customers for contract work		<b>9,494</b>	28,054
Decrease in retention monies receivable		<b>11,014</b>	4,813
Decrease/(increase) in debtors and prepayments		<b>48,236</b>	(17,459)
Decrease in creditors and accrued charges		<b>(29,582)</b>	(40,418)
Increase in amounts due to customers for contract work		<b>29,210</b>	18,570
Exchange differences		<b>63</b>	(243)
Cash generated from operations		<b>146,953</b>	103,633
Hong Kong profits tax paid		<b>(6,639)</b>	(2,591)
Overseas taxes (paid)/refund		<b>(14)</b>	129
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>140,300</b>	101,171

## CONSOLIDATED CASH FLOW STATEMENT *(Continued)*

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For the year ended 31st March, 2003

	Notes	2003 HK\$'000	2002 HK\$'000
<b>INVESTING ACTIVITIES</b>			
Interest received		16,228	17,490
Dividends received from jointly-controlled entities		4,742	8,263
Dividends received from unlisted investments in securities		435	363
Proceeds from disposals of property, plant and equipment		228	3,624
Purchases of property, plant and equipment		(17,934)	(39,130)
Acquisitions of subsidiaries – net of cash and cash equivalents acquired	31	–	(129,802)
Net cash inflows from disposal of discontinued operation	32	–	17,869
Investments in associates		(206)	(96,039)
Advances to associates		(3,600)	(4,300)
(Advances to)/repayments from jointly-controlled entities, net		(666)	19,883
Consideration paid to a minority shareholder on repurchase of shares of a subsidiary		(865)	–
Purchases of investments in securities		–	(7,568)
Proceeds from disposals of investments in securities		–	7,909
Proceed from disposals of permanent export quota entitlements		–	2,074
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(1,638)</b>	<b>(199,364)</b>
<b>FINANCING ACTIVITIES</b>			
Interest paid		(12,899)	(21,491)
Dividends paid		(11,008)	–
Dividends paid to minority shareholders of a subsidiary		(1,842)	–
New bank borrowings raised		653,423	670,505
Repayments of bank borrowings		(624,019)	(564,798)
Repayments of obligations under hire purchase contracts (Repayments to)/advances from minority shareholders of a subsidiary		(9,135)	12,265
Increase in pledged bank balances		(19,152)	(2,000)
<b>NET CASH (USED IN)/FROM FINANCING ACTIVITIES</b>		<b>(31,848)</b>	<b>75,126</b>
<b>INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>106,814</b>	<b>(23,067)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>		<b>62,355</b>	<b>85,422</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>		<b>169,169</b>	<b>62,355</b>
<b>ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Bank balances and cash		184,067	95,818
Bank overdrafts		(14,898)	(33,463)
		<b>169,169</b>	<b>62,355</b>