

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2003

	NOTE	2003 HK\$'000	2002 HK\$'000
OPERATING ACTIVITIES			
Loss from operations		(58,645)	(7,383)
Adjustments for:			
Deficit on revaluation of investment properties		4,123	1,030
Impairment loss recognised in respect of property, plant and equipment		8,797	-
Impairment loss recognised in respect of investments in securities		28,060	-
Unrealised holding gain on investments in securities		-	(6,736)
Impairment loss recognised in respect of properties held for development		-	6,900
Depreciation and amortisation of property, plant and equipment		4,232	403
Amortisation of goodwill		654	-
Negative goodwill released to income statement		(3,488)	-
Loss on disposals of property, plant and equipment		170	22
Loss on disposal of investments in securities		16	-
Dividend income from listed investments		(2)	(8)
Interest income		(257)	(59)
Operating cash flows before movements in working capital		(16,340)	(5,831)
Increase in inventories		(7,288)	-
(Increase) decrease in trade and other receivables		(46,077)	264
Increase in amount due from an associate		(2,199)	-
Increase in investments in securities		-	(805)
Increase in trade and other payables		1,551	416
Increase in amounts due to minority shareholders of subsidiaries		2,895	-
Decrease in amount due to former ultimate holding company		(1,049)	(532)
(Decrease) increase in amount due to a former fellow subsidiary		(980)	591
Cash used in operations		(69,487)	(5,897)
Hong Kong Profits Tax (paid) refunded		(170)	89
PRC income tax paid		(195)	-
NET CASH USED IN OPERATING ACTIVITIES		(69,852)	(5,808)
INVESTING ACTIVITIES			
Interest received		257	59
Dividend received from investments in securities		2	8
Investment in an associate		(1)	-
(Increase) decrease in pledged bank deposits		(57,143)	1,051
Purchase of property, plant and equipment		(18,106)	-
Proceeds from disposals of investments in securities		134	2
Purchase of subsidiaries, net of cash and cash equivalents acquired	30	(2,165)	-
NET CASH (USED IN) FROM INVESTING ACTIVITIES		(77,022)	1,120

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2003

	2003 HK\$'000	2002 HK\$'000
FINANCING ACTIVITIES		
Interest paid	(6,169)	–
Proceeds from issue of ordinary shares	30,000	18,000
Proceeds from exercise of share options	110	910
New bank and other borrowings raised	222,571	–
Repayments of bank borrowings	(23,000)	–
	<u>223,512</u>	<u>18,910</u>
NET CASH FROM FINANCING ACTIVITIES	223,512	18,910
NET INCREASE IN CASH AND CASH EQUIVALENTS	76,638	14,222
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	14,664	442
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	1,175	–
	<u>92,477</u>	<u>14,664</u>
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	92,477	14,664
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	<u>92,477</u>	<u>14,664</u>