

# CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 March 2003

	2003 HK\$'000	2002 HK\$'000
<b>Cash flows from operating activities</b>		
<b>Profit/(loss) before taxation</b>	<b>85,345</b>	(1,389,636)
Adjustment for:		
Share of losses of associates	–	6,980
Amortisation of intangible assets	–	13,000
(Written back)/provision for impairment of intangible assets	<b>(79,460)</b>	428,999
Depreciation	<b>7,664</b>	5,888
Revaluation (surplus)/deficit and impairment loss of tangible assets	<b>(6,509)</b>	233,193
(Gain)/loss on disposal of properties, plant and equipment	<b>(289)</b>	947
Loss on disposal of investment properties	<b>1,698</b>	–
Gain on disposal of other investments	–	(59)
Provision for CNCC Acquisition	–	232,657
(Written back)/provision for doubtful receivables	<b>(2,583)</b>	391,248
(Written back)/provision for inventories	<b>(10,918)</b>	11,329
Provision for loan to an associate	<b>256</b>	148
Provision for other investments in securities	–	283
Gain from settlement in respect of Heat Supply Project	<b>(22,861)</b>	–
Interest income	<b>(5)</b>	(154)
Interest expense	<b>6,878</b>	14,072
<b>Operating loss before working capital changes</b>	<b>(20,784)</b>	(51,105)
Decrease in inventories	<b>6,358</b>	11,747
Increase in amount due from a minority shareholder of a subsidiary	<b>(943)</b>	–
Decrease in trade and other receivables	<b>29,773</b>	21,528
Decrease in amount due from an associate	<b>4,223</b>	–
Decrease in amount due from a related company	–	35,000
Decrease in trade and other payables	<b>(22,279)</b>	(28,795)
<b>Cash used in operations</b>	<b>(3,652)</b>	(11,625)
Interest paid	<b>(2,222)</b>	(14,111)
Hong Kong profits tax paid	<b>(1)</b>	(155)
Hong Kong profits tax refunded	<b>194</b>	288
Overseas tax refunded	<b>44</b>	–
<b>Net cash used in operating activities</b>	<b>(5,637)</b>	(25,603)
<b>Cash flows from investing activities</b>		
Proceeds from disposals of investment properties	<b>87,902</b>	–
Investment in property under development	–	(667)
Proceeds from disposals of properties, plant and equipment	<b>579</b>	10
Purchases of properties, plant and equipment	<b>(3,346)</b>	(566)
Acquisition of subsidiaries, net	–	7,646
Proceeds from disposals of other investments in securities	–	389
Interest received	<b>5</b>	27,647
<b>Net cash generated from investing activities</b>	<b>85,140</b>	34,459

## Consolidated Cash Flow Statement

For the year ended 31 March 2003

	2003 HK\$'000	2002 HK\$'000
<b>Cash flows from financing activities</b>		
Pledged bank deposits	–	4,000
Loan from intermediate controlling shareholder	15,000	–
Other loans	6,950	18,896
Repayment of other loans	(1,405)	–
Repayment of bank loans	(70,668)	(12,738)
Loans from minority shareholders of subsidiaries	–	542
Proceeds from issue of share capital	223	1,020
<b>Net cash (used in)/generated from financing activities</b>	<b>(49,900)</b>	11,720
<b>Increase in cash and cash equivalents</b>	<b>29,603</b>	20,576
<b>Cash and cash equivalents at beginning of year</b>	<b>(567)</b>	(20,337)
<b>Effect of foreign exchange rate changes, net</b>	<b>342</b>	(806)
<b>Cash and cash equivalents at end of year</b>	<b>29,378</b>	(567)
<b>Analysis of balances of cash and cash equivalents</b>		
Cash and cash equivalents	29,946	2,625
Trust receipt loans with maturity within three months from the date of advance	(568)	(3,192)
	<b>29,378</b>	(567)