



## CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 March 2003

	Notes	2003 HK\$'000	2002 HK\$'000 (Restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		<b>10,239</b>	3,851
Adjustments for:			
Finance costs	7	<b>3,118</b>	4,869
Share of profits and losses of associates		<b>(2,968)</b>	(1,122)
Interest income	5	<b>(2,054)</b>	(2,829)
Loss on disposal of fixed assets	6	<b>628</b>	200
Gain on disposal of subsidiaries	6	<b>(1,780)</b>	–
Gain on deemed disposal of interest in a subsidiary	6	–	(341)
Gain on disposal of associates	6	–	(40)
Gain on deemed disposal of interest in an associate	6	–	(1,222)
Gain on disposal of short term investments	6	–	(1,311)
Gain on disposal of property interests	6	–	(668)
Depreciation	6	<b>3,092</b>	3,358
Impairment of deferred development costs	6	<b>3,938</b>	–
Impairment of goodwill	6	<b>229</b>	–
Negative goodwill recognised as income	6	–	(201)
Provision for foreseeable losses of construction contracts	6	<b>1,388</b>	6,850
Provision for doubtful debts	6	<b>1,826</b>	1,490
Provision for other receivables	6	<b>2,612</b>	3,757
Operating profit before working capital changes		<b>20,268</b>	16,641
Decrease/(increase) in completed properties held for sale		<b>(150,630)</b>	86,062
Decrease/(increase) in properties under development for sale		<b>65,888</b>	(119,099)
Decrease in gross amounts due from contract customers		<b>9,683</b>	5,100
Decrease in inventories		<b>152</b>	126
Increase in accounts receivable		<b>(37,316)</b>	(4,992)
Decrease/(increase) in prepayments, deposits and other receivables		<b>(13,439)</b>	4,819
Increase/(decrease) in gross amount due to contract customers		<b>(12,679)</b>	18,157
Increase/(decrease) in accounts payable		<b>53,684</b>	(13,368)
Increase/(decrease) in other payables and accruals		<b>61,661</b>	(27,170)
Decrease in trust receipt loans		<b>(26,120)</b>	(5)
Cash used in operations		<b>(28,848)</b>	(33,729)
Interest received		<b>2,054</b>	2,829
Interest paid		<b>(8,017)</b>	(5,819)
Dividends received from associates		<b>742</b>	560
Hong Kong profits tax refunded/(paid)		<b>594</b>	(997)
Overseas taxes paid		<b>(1,950)</b>	(483)
Net cash outflow from operating activities		<b>(35,425)</b>	(37,639)



## CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)

Year ended 31 March 2003

	Notes	2003 HK\$'000	2002 HK\$'000 (Restated)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchases of fixed assets	12	(1,776)	(673)
Proceeds from disposal of fixed assets		5	801
Additions to deferred development costs	13	(232)	(753)
Purchases of long term investments	16	(2,000)	–
Disposal of subsidiaries	30(b)	(3,473)	2,483
Proceeds from disposal of an associate		–	2,238
Proceeds from disposal of a short term investment		–	2,681
Acquisition of subsidiaries	30(a)	149	(38,889)
Acquisition of an associate		–	(500)
Increase/(decrease) in pledged time deposits with original maturity of more than three months when acquired		15,430	(18,600)
Repayments from associates, net		494	4,301
Net cash inflow/(outflow) from investing activities		<u>8,597</u>	<u>(46,911)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Exercise of share options		–	711
Repurchase of the Company's shares		–	(601)
Share repurchase expenses		–	(14)
New bank loans and other borrowing		46,050	94,942
Repayment of bank loans and other borrowing		(47,919)	(21,931)
Repurchase of convertible notes	26	(780)	(1,610)
Capital contributions by minority interests		3	7,096
Repayments from/(to) minority interests		330	(1,541)
Dividends paid to minority interests		(427)	(800)
Net cash inflow/(outflow) from financing activities		<u>(2,743)</u>	<u>76,252</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS		<u>(29,571)</u>	<u>(8,298)</u>
Cash and cash equivalents at beginning of year		41,368	49,668
Effect of foreign exchange rate changes, net		–	(2)
CASH AND CASH EQUIVALENTS AT END OF YEAR		<u>11,797</u>	<u>41,368</u>



## CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)

Year ended 31 March 2003

	Notes	2003 HK\$'000	2002 HK\$'000 (Restated)
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	21	34,605	49,023
Non-pledged time deposits with original maturity of less than three months when acquired		6,974	10,446
Time deposits with original maturity of less than three months when acquired, pledged as security for bank overdraft facilities		24,686	14,454
Bank overdrafts, secured	24	(54,468)	(32,555)
		<u>11,797</u>	<u>41,368</u>