CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 March 2003

Notes	rear ended 31 March 2003		2002	2002
Profit/(loss) before tax Adjustments for: Finance costs Finance costs Share of profits and losses of associates Finance costs Share of profits and losses of associates Finance costs Share of profits and losses of associates Finance costs Finance costs Share of profits and losses of associates Finance costs Fi		Notes	2003 HK\$'000	2002 HK\$'000
Adjustments for: Finance costs	CASH FLOWS FROM OPERATING ACTIVITIES			
Adjustments for: Finance costs	Profit/(loss) before tax		(7,608)	14,299
Finance costs 9 1,380 1,99 Share of profits and losses of associates (12,815) (19,6) Amortisation of goodwill 17 4,093 2,51 Interest income 5 (556) (80 Dividend income from a long term investment 5 - (4,3) Net realised (gains)/losses on trading of short term listed equity investments 5, 6 4,558 (9) Net unrealised holding (gains)/losses on short term listed equity investments 5, 6 52 (1,3) Depreciation 6 1,092 80 Loss on disposal of investment properties 6 71 11 Loss on disposal of fixed assets 6 71 11 Loss on disposal of subsidiaries 6 478 Operating loss before working capital changes (9,255) (6,8) Becrease in inventories 315 11,3 (Increase)/decrease in trade and bills receivables (15,537) 11,9 (Increase)/decrease in prepayments, deposits and other receivables (15,537) 11,9 (Increase)/decrease in short term investments 2,793 (20,0) Increase/(decrease) in trade and bills payables (3,310) 5,6 Increase/(decrease) in other payables and accruals 242 (1,2) Cash generated from/(used in) operations 513 (8,1) Interest received 556 88 Interest received 556 88 Interest received 556 88 Interest received 556 88 Interest element on finance lease rental payments - (6,1)	Adjustments for:		`,'	,
Amortisation of goodwill 17 4,093 2,56 Interest income 5 (556) (86 Dividend income from a long term investment 5 - (4,33 Net realised (gains)/losses on trading of short term listed equity investments 5, 6 4,558 (95 Net unrealised holding (gains)/losses on short term listed equity investments 5, 6 52 (1,33 Depreciation 6 1,092 80 Loss on disposal of investment properties 6 - 50 Loss on disposals of fixed assets 6 71 1 Loss on disposal of subsidiaries 6 478 - Operating loss before working capital changes (9,255) (6,83) Decrease in inventories 315 11,33 (Increase)/decrease in trade and bills receivables 25,265 (8,93) (Increase)/decrease in prepayments, deposits and other receivables (15,537) 11,93 (Increase)/decrease in short term investments 2,793 (20,00) Increase/(decrease) in trade and bills payables (3,310) 5,6		9	1,380	1,973
Interest income Dividend income from a long term investment Dividend income from a long term investment Net realised (gains)/losses on trading of short term listed equity investments S, 6 Net unrealised holding (gains)/losses on short term listed equity investments S, 6 Sequence of the unrealised holding (gains)/losses on short term listed equity investments S, 6 Sequence of the unrealised holding (gains)/losses on short term listed equity investments S, 6 Sequence of the unrealised holding (gains)/losses on short term listed equity investments Sequence of the unrealised of the unrealise	Share of profits and losses of associates		(12,815)	(19,670)
Dividend income from a long term investment Net realised (gains)/losses on trading of short term listed equity investments S, 6 A4,558 (93 Net unrealised holding (gains)/losses on short term listed equity investments S, 6 Depreciation Som disposal of investment properties Coss on disposals of fixed assets Coperating loss before working capital changes Decrease in inventories Decrease in inventories Coperating loss before working capital changes Decrease in inventories Coperating loss before working capital changes Decrease in inventories Coperating loss before working capital changes Decrease in inventories Coperating loss before working capital changes Decrease in inventories Coperating loss before working capital changes Decrease in inventories Coperating loss before working capital changes (9,255) (6,8) Coperating loss before working capital changes Coperating loss before working capital changes (9,255) (6,8) Coperating loss before working capital changes (9,255) (6,8) Coperating loss before working capital changes (9,255) (6,8) Coperating loss before working capital changes (1,5,537) Coperating loss before work	Amortisation of goodwill	17	4,093	2,565
Net realised (gains)/losses on trading of short term listed equity investments 5, 6 4,558 (9). Net unrealised holding (gains)/losses on short term listed equity investments 5, 6 52 (1,3-1). Depreciation 6 1,092 8. Loss on disposal of investment properties 6 - 56 Loss on disposals of fixed assets 6 71 1 1 Loss on disposal of subsidiaries 6 478	Interest income	5	(556)	(866)
short term listed equity investments Net unrealised holding (gains)/losses on short term listed equity investments Solution Short term listed equity investments Solution S	Dividend income from a long term investment	5	-	(4,395)
Net unrealised holding (gains)/losses on short term listed equity investments 5, 6 52 (1,34). Depreciation 6 1,092 83. Loss on disposal of investment properties 6 - 56. Loss on disposals of fixed assets 6 71 11. Loss on disposal of subsidiaries 6 478				
short term listed equity investments 5, 6 52 (1,34) Depreciation 6 1,092 83 Loss on disposal of investment properties 6 - 56 Loss on disposals of fixed assets 6 71 11 Loss on disposal of subsidiaries 6 478 Operating loss before working capital changes 6 478 Decrease in inventories 315 11,33 (Increase)/decrease in trade and bills receivables 25,265 (8,93) (Increase)/decrease in prepayments, deposits and other receivables (15,537) 11,93 (Increase)/decrease in short term investments 2,793 (20,00) Increase/(decrease) in trade and bills payables (3,310) 5,63 Increase/(decrease) in other payables and accruals 242 (1,20) Cash generated from/(used in) operations 513 (8,13) Interest received 556 86 Interest paid (1,380) (1,93) Interest element on finance lease rental payments - (1,380)	short term listed equity investments	5, 6	4,558	(956)
Depreciation 6 1,092 88 Loss on disposal of investment properties 6 - 56 Loss on disposals of fixed assets 6 71 17 Loss on disposal of subsidiaries 6 478 Operating loss before working capital changes (9,255) (6,88) Decrease in inventories 315 11,33 (Increase)/decrease in trade and bills receivables (25,265 (8,93)) (Increase)/decrease in prepayments, deposits and other receivables (15,537) 11,93 (Increase)/decrease in short term investments 2,793 (20,00) Increase/(decrease) in trade and bills payables (3,310) 5,63 Increase/(decrease) in other payables and accruals 242 (1,20) Cash generated from/(used in) operations 513 (8,13) Interest received 556 86 Interest paid (1,380) (1,93) Interest element on finance lease rental payments - (1)	Net unrealised holding (gains)/losses on			
Loss on disposal of investment properties Loss on disposals of fixed assets 6 71 17 Loss on disposals of subsidiaries 6 478 Operating loss before working capital changes Decrease in inventories (Increase)/decrease in trade and bills receivables (Increase)/decrease in prepayments, deposits and other receivables (Increase)/decrease in short term investments (Increase)/decrease in trade and bills payables (Increase)/decrease in trade and bills payables (Increase)/decrease in trade and bills payables (Increase)/decrease) in trade and bills payables (Increase)/decrease) in other payables and accruals Cash generated from/(used in) operations 513 (8,19) Interest received Interest received Interest paid Interest element on finance lease rental payments - (19,255) (6,80 (7,255) (8,90 (15,537) (11,90 (10,20) (11,380) (11,90 (11,380) (11,90 (11,380) (11,90 (11,380) (11,90 (11,380) (11,90 (11,380) (11,90 (11,380) (11,90 (11,380) (11,90 (11,380) (11,90 (11,380) (11,90 (11,380) (11,90 (11,380) (11,90 (11,380) (11,90 (11,9	short term listed equity investments	5, 6	52	(1,347)
Loss on disposals of fixed assets Loss on disposal of subsidiaries Operating loss before working capital changes Decrease in inventories Operating loss before working capital changes Decrease in inventories Increase/decrease in trade and bills receivables (Increase)/decrease in prepayments, deposits and other receivables (Increase)/decrease in short term investments Increase/(decrease) in trade and bills payables Increase/(decrease) in other payables and accruals Cash generated from/(used in) operations Interest received Interest received Interest paid Interest element on finance lease rental payments 6 71 11 12 13 (9,255) (6,83 (15,537) (15,537) (11,93 (20,00 (3,310) 5,60 (1,20 (1,20 (1,20 (1,20 (1,380) (1,99 (1,99 (1,380) (1,99 (1,99 (1,380) (1,99 (1,99 (1,380) (1,99 (1,99 (1,380) (1,99 (1,99 (1,380) (1,99 (1,99 (1,380) (1,99 (1,99 (1,380) (1,99 (1,99 (1,380) (1,99 (1,99 (1,380) (1,99 (1,99 (1,380) (1,99 (1,99 (1,380) (1,99 (1	Depreciation	6	1,092	830
Loss on disposal of subsidiaries 6 478 Operating loss before working capital changes (9,255) (6,85) Decrease in inventories 315 11,33 (Increase)/decrease in trade and bills receivables (25,265 (8,95)) (Increase)/decrease in prepayments, deposits and other receivables (15,537) 11,93 (Increase)/decrease in short term investments 2,793 (20,00) Increase/(decrease) in trade and bills payables (3,310) 5,65 (1,20) Increase/(decrease) in other payables and accruals 242 (1,20) Cash generated from/(used in) operations 513 (8,11) Interest received 556 86 (1,380) (1,95) Interest paid (1,380) (1,95) Interest element on finance lease rental payments -	Loss on disposal of investment properties	6	-	562
Operating loss before working capital changes Decrease in inventories 315 (Increase)/decrease in trade and bills receivables (Increase)/decrease in prepayments, deposits and other receivables (Increase)/decrease in short term investments (Increase)/decrease in short term investments 2,793 (Increase)/decrease) in trade and bills payables (Increase)/decrease) in other payables and accruals Cash generated from/(used in) operations 513 (8,19) Interest received Interest received Interest paid (1,380) (1,99) Interest element on finance lease rental payments	Loss on disposals of fixed assets	6	71	118
Decrease in inventories (Increase)/decrease in trade and bills receivables (Increase)/decrease in prepayments, deposits and other receivables (Increase)/decrease in short term investments (Increase)/decrease in short term investments (Increase)/decrease in short term investments (Increase)/decrease in trade and bills payables (Increase)/decrease) in trade and bills payables (Increase)/(decrease) in other payables and accruals (Increase)/(decrease) in	Loss on disposal of subsidiaries	6	478	12
(Increase)/decrease in trade and bills receivables25,265(8,9)(Increase)/decrease in prepayments, deposits and other receivables(15,537)11,9)(Increase)/decrease in short term investments2,793(20,00)Increase/(decrease) in trade and bills payables(3,310)5,6)Increase/(decrease) in other payables and accruals242(1,20)Cash generated from/(used in) operations513(8,1)Interest received55680Interest paid(1,380)(1,9)Interest element on finance lease rental payments-(1,20)	Operating loss before working capital changes		(9,255)	(6,875)
(Increase)/decrease in prepayments, deposits and other receivables (15,537) 11,93 (Increase)/decrease in short term investments 2,793 (20,00 Increase)/(decrease) in trade and bills payables (3,310) 5,63 Increase/(decrease) in other payables and accruals 242 (1,20 Cash generated from/(used in) operations 513 (8,13 Interest received 556 80 Interest paid (1,380) (1,93 Interest element on finance lease rental payments — (1,380)	Decrease in inventories		315	11,358
other receivables (15,537) 11,93 (Increase)/decrease in short term investments 2,793 (20,00) Increase/(decrease) in trade and bills payables (3,310) 5,63 Increase/(decrease) in other payables and accruals 242 (1,20) Cash generated from/(used in) operations 513 (8,13) Interest received 556 86 Interest paid (1,380) (1,93) Interest element on finance lease rental payments –	(Increase)/decrease in trade and bills receivables		25,265	(8,974)
(Increase)/decrease in short term investments2,793(20,000)Increase/(decrease) in trade and bills payables(3,310)5,600Increase/(decrease) in other payables and accruals242(1,200)Cash generated from/(used in) operations513(8,130)Interest received556800Interest paid(1,380)(1,900)Interest element on finance lease rental payments-(1,000)	(Increase)/decrease in prepayments, deposits and			
Increase/(decrease) in trade and bills payables Increase/(decrease) in other payables and accruals Cash generated from/(used in) operations 513 (8,1) Interest received Interest paid Interest paid Interest element on finance lease rental payments - (1,2)	other receivables		(15,537)	11,933
Increase/(decrease) in other payables and accruals Cash generated from/(used in) operations 513 (8,19) Interest received Interest paid (1,380) Interest element on finance lease rental payments - (1,20)	(Increase)/decrease in short term investments		2,793	(20,067)
Cash generated from/(used in) operations 513 (8,13) Interest received 556 86 Interest paid (1,380) (1,98) Interest element on finance lease rental payments - (1)	Increase/(decrease) in trade and bills payables		(3,310)	5,673
Interest received 556 86 Interest paid (1,380) (1,99) Interest element on finance lease rental payments – (1)	Increase/(decrease) in other payables and accruals		242	(1,205)
Interest paid (1,380) (1,990) Interest element on finance lease rental payments – (1,000)	Cash generated from/(used in) operations		513	(8,157)
Interest element on finance lease rental payments – (Interest received		556	866
	Interest paid		(1,380)	(1,954)
	Interest element on finance lease rental payments		-	(19)
Hong Kong profits tax paid (18) (13)	Hong Kong profits tax paid		(18)	(136)
Net cash outflow from operating activities (329) (9,40	Net cash outflow from operating activities		(329)	(9,400)

CONSOLIDATED CASH FLOW STATEMENT (Continued)

	Notes	2003 HK\$'000	2002 HK\$'000
Net cash outflow from operating activities		(329)	(9,400)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividend income from a long term investment	5	_	4,395
Dividend income from associates		13,508	23,184
Purchases of fixed assets		(5,501)	(448)
Purchase of a long term investment		(9,676)	_
Proceeds from disposal of investment properties		_	7,138
Acquisition of subsidiaries	28(b)	_	(840)
Proceeds from disposal of subsidiaries	28(c)	(611)	(2)
Acquisition of interests in jointly-controlled entities		(10)	_
Advances of loans to jointly-controlled entities		(20,184)	_
Acquisition of interests in associates			(90,000)
Increase in an amount due from an associate		(508)	_
Increase in pledged time deposits		(302)	(1,215)
Net cash outflow from investing activities		(23,284)	(57,788)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares	25	1,700	116,700
Share issue expenses	25	(6)	(2,269)
Share capital contribution from minority shareholders			
of a subsidiary		1,402	-
New bank loans		8,223	11,365
Repayment of bank loans		(2,253)	(14,924)
Capital element of finance lease rental payments		-	(56)
Repayment of a convertible note		-	(30,000)
Dividend paid		(3,761)	
Net cash inflow from financing activities		5,305	80,816
NET INCREASE/(DECREASE)			
in cash and cash equivalents		(18,308)	13,628
Cash and cash equivalents at beginning of year		24,015	10,387
CASH AND CASH EQUIVALENTS AT END OF YEAR		5,707	24,015
ANALYSIS OF BALANCES OF CASH AND			
CASH EQUIVALENTS			
Cash and bank balances	22	902	12,647
Non-pledged time deposits with original maturity			.,
of less than three months when acquired	22	4,805	11,368
		5,707	24,015
		3,7 07	21,013