

CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 March 2003

	Notes	2003 HK\$'000	2002 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) before tax		(7,608)	14,299
Adjustments for:			
Finance costs	9	1,380	1,973
Share of profits and losses of associates		(12,815)	(19,670)
Amortisation of goodwill	17	4,093	2,565
Interest income	5	(556)	(866)
Dividend income from a long term investment	5	–	(4,395)
Net realised (gains)/losses on trading of short term listed equity investments	5, 6	4,558	(956)
Net unrealised holding (gains)/losses on short term listed equity investments	5, 6	52	(1,347)
Depreciation	6	1,092	830
Loss on disposal of investment properties	6	–	562
Loss on disposals of fixed assets	6	71	118
Loss on disposal of subsidiaries	6	478	12
		<hr/>	<hr/>
Operating loss before working capital changes		(9,255)	(6,875)
Decrease in inventories		315	11,358
(Increase)/decrease in trade and bills receivables		25,265	(8,974)
(Increase)/decrease in prepayments, deposits and other receivables		(15,537)	11,933
(Increase)/decrease in short term investments		2,793	(20,067)
Increase/(decrease) in trade and bills payables		(3,310)	5,673
Increase/(decrease) in other payables and accruals		242	(1,205)
		<hr/>	<hr/>
Cash generated from/(used in) operations		513	(8,157)
Interest received		556	866
Interest paid		(1,380)	(1,954)
Interest element on finance lease rental payments		–	(19)
Hong Kong profits tax paid		(18)	(136)
		<hr/>	<hr/>
Net cash outflow from operating activities		(329)	(9,400)

CONSOLIDATED CASH FLOW STATEMENT (Continued)

Year ended 31 March 2003

	Notes	2003 HK\$'000	2002 HK\$'000
Net cash outflow from operating activities		<u>(329)</u>	<u>(9,400)</u>
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		<u>(23,284)</u>	<u>(57,788)</u>
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		<u>5,305</u>	<u>80,816</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(18,308)	13,628
Cash and cash equivalents at beginning of year		<u>24,015</u>	<u>10,387</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR		<u>5,707</u>	<u>24,015</u>
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
		<u>5,707</u>	<u>24,015</u>