



CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 March 2003

	Note	2003 HK\$'000	2002 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) from operating activities		321,658	(392,036)
Adjustments for:			
Depreciation and amortisation		16,545	14,855
Impairment loss recognised on fixed assets		–	2,990
Impairment loss recognised on interests in subsidiaries not consolidated		–	85,676
(Reduction in provision for)/provision for net amounts due (to)/from subsidiaries not consolidated		(148,366)	48,601
(Reduction in provision for)/provision for indemnified liabilities of subsidiaries not consolidated		(180,734)	220,734
Reduction in provision for other payables		(29,781)	–
Write off of trade and other receivables		296	–
Write off of fixed assets		3,831	–
Write off of amount due from a fellow subsidiary		1,955	–
Provision for loss arising from a loan commitment		1,881	–
Provision for litigations		3,235	–
Interest income		(9)	–
Operating loss before working capital changes		(9,489)	(19,180)
Increase in inventories		(2,356)	–
(Increase)/decrease in trade and other receivables		(3,473)	123
Increase in prepayments and deposits		(1,263)	–
Increase in amount due from a fellow subsidiary		(1,955)	–
Increase in amounts due to subsidiaries not consolidated		–	8,781
(Decrease)/increase in trade and other payables		(32,897)	10,685
Net cash (used in)/from operating activities		(51,433)	409
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of fixed assets		(17,648)	(331)
Deconsolidation of interests in subsidiaries (net of cash and cash equivalents deconsolidated)	25	–	14,942
Interest income		9	–
Net cash (used in)/from investing activities		(17,639)	14,611
CASH FLOWS FROM FINANCING ACTIVITIES			
Net proceeds from issue of share capital		39,059	–
Net proceeds from issue of convertible notes		30,000	–
Short term borrowing raised		1,100	–
Long term borrowings raised, net		8,236	–
Net cash from financing activities		78,395	–
NET INCREASE IN CASH AND CASH EQUIVALENTS		9,323	15,020
CASH AND CASH EQUIVALENTS AT 1 APRIL		1,466	(13,554)
CASH AND CASH EQUIVALENTS AT 31 MARCH		10,789	1,466
ANALYSIS OF CASH AND CASH EQUIVALENTS			
Bank and cash balances		10,789	1,466

The notes on pages 22 to 49 form an integral part of these financial statements.