

Consolidated Cash Flow Statement

For the year ended March 31, 2003

	2003 HK\$'000	2002 HK\$'000
Operating activities		
Loss before taxation	(712,390)	(295,344)
Adjustments for:		
Interest income	(11,305)	(13,316)
Interest on finance leases	19	—
Interest expenses on bank and other borrowings	24,980	51,344
Dividend income from investments in securities	—	(164)
Depreciation and amortisation	49,469	32,016
Share of results of associates	309,932	55,917
Loss on disposal of property, plant and equipment	2,743	1,435
Loss on disposal of investment properties	120	—
Unrealised holding loss (gain) on trading securities	4,192	(12,602)
Revaluation reserve realised upon disposal of properties	(31,065)	(74,602)
Deficit on revaluation of investment properties	204,475	209,419
Impairment losses	219,216	130,762
(Write back of) allowance for doubtful debts of margin financing and other receivables – net	(4,792)	1,451
Negative goodwill released	(73)	—
Gain on winding up of subsidiaries	(446)	—
Loss on disposal of associates	39,950	—
Operating cash flows before movements in working capital	95,025	86,316
(Increase) decrease in inventories	(10,113)	5,596
Decrease in properties held for sale	77,821	305,844
Decrease (increase) in debtors, deposits and prepayments	106,038	(8,911)
Increase in trading securities	6,907	1,399
Increase (decrease) in creditors, customers' deposits and accrued charges	72,360	(8,840)
Cash generated from operations	348,038	381,404
Interest received from bank deposits and other receivables	837	780
Hong Kong Profits Tax refunded	6	3,813
Hong Kong Profits Tax paid	(7,796)	(7,706)
Net cash from operating activities	341,085	378,291

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For the year ended March 31, 2003

	Note	2003 HK\$'000	2002 HK\$'000
Investing activities			
Interest received from loans receivable from associates		10,468	—
Dividends received		—	164
Purchase of property, plant and equipment		(24,406)	(37,284)
Additional costs incurred on properties under development		(196,875)	(61,465)
Purchase of subsidiaries (net of cash and cash equivalents acquired)	37	(159,340)	—
Purchase of non-trading securities		—	(600)
Proceeds from disposal of investment properties		1,680	—
Proceeds from disposal of property, plant and equipment		2,546	810
Proceeds from disposal of non-trading securities		135	—
Proceeds from disposal of associates		54,665	—
Expenses in respect of disposal of an associate paid		(1,800)	—
Repayment from associates		262,371	97,387
Advance to associates		(95,047)	(60,806)
(Increase) decrease in other assets		(97)	100
(Increase) decrease in pledged bank deposits		(45,995)	177
Net cash used in investing activities		(191,695)	(61,517)
Financing			
Interest on bank and other borrowings paid		(28,738)	(53,800)
Interest on finance leases paid		(19)	—
Dividends paid to shareholders		—	(15,540)
Dividends paid to minority shareholders		—	(5,817)
New bank loans raised		551,581	498,738
Repayment of bank loans		(535,183)	(308,223)
New trust receipts and import loans raised		64,570	45,891
Repayment of trust receipts and import loans		(66,769)	(51,261)
New loans raised from minority shareholders of subsidiaries		2,183	1,004
Repayment to minority shareholders of subsidiaries		(2,399)	—
Repayment of obligations under finance leases		(63)	—
Advance from a shareholder		1,750	478,408
Repayment of advances from a shareholder		(9,315)	(650,588)
Repayment of advances from related parties		(1,534)	(58,532)
Net cash used in financing		(23,936)	(119,720)
Increase in cash and cash equivalents		125,454	197,054
Cash and cash equivalents at the beginning of the year		(5,897)	(202,951)
Cash and cash equivalents at the end of the year		119,557	(5,897)
Analysis of balance of cash and cash equivalents			
Bank balances and cash		152,676	91,983
Bank overdrafts		(33,119)	(97,880)
		119,557	(5,897)