

## » » Consolidated Cash Flow Statement

For the year ended 31 March 2003

Notes	2003 HK\$'000	2002 HK\$'000
<b>Cash flows from operating activities</b>		
Profit before taxation and minority interests	45,902	5,228
Adjustments for:		
Depreciation on property, plant and equipment	29,752	32,051
Amortisation of goodwill	39,716	27,399
Negative goodwill recognised as income	(18,158)	(10,566)
Write off of bad debts	18,517	–
Write off of product development costs	–	917
Amortisation of product development costs	3	5,127
Amortisation of proprietary software	7,871	5,088
(Gain)/Loss on disposal of subsidiaries	(10,198)	1,591
Gain on disposal of an associate	–	(115)
Gain on deemed partial disposal of a subsidiary	–	(20,000)
Gain on disposal of a jointly controlled entity	(3,403)	–
Gain on disposal of proprietary software	(13,606)	–
Gain on disposal of property development projects	(117,778)	–
Gain on disposal of other investment	(1,735)	–
Gain on waiver of amount due to a creditor	–	(4,989)
Loss on disposal of property, plant and equipment	12,668	6,155
Deficit on revaluation of hotel and investment properties	15,415	12,948
(Surplus)/Deficit on revaluation of properties under development	(6,645)	10,968
Impairment losses on land and buildings	1,174	–
Impairment losses on land held for development	7,055	6,172
Decrease in fair value of short term investment	292	–
Provision for bad and doubtful debts	11,526	19,679
Write back of impairment losses on a property development project	–	(59,298)
Liabilities waived by unsecured creditors	–	(89,779)
Liabilities waived by a director	(30,000)	–
Loan waived by a minority shareholder	–	(25,000)
Share of results of associates	358	441
Defined benefit retirement scheme expenses	394	–
Interest income	(3,691)	(7,229)
Interest expenses	41,161	47,619
Operating profit/(loss) before working capital changes	26,590	(35,593)

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	Notes	2003 HK\$'000	2002 HK\$'000
Decrease in amount due to associates		(170)	–
Decrease in amount due from jointly controlled entities		–	5,190
Decrease in inventories		21,657	9,944
Increase in trade and other receivables		(97,243)	(69,892)
Increase/(Decrease) in trade payables, other payables and accruals		38,063	(2,859)
Payment for defined benefit retirement scheme		(1,155)	–
Increase/(Decrease) in amount due to a director		15,124	(12,232)
Decrease in amounts due to shareholders		(1,154)	(1,160)
Cash generated from/(used in) operations		1,712	(106,602)
Overseas taxes refunded/(paid)		2,578	(314)
Net cash generated from/(used in) operating activities		4,290	(106,916)
<b>Cash flows from investing activities</b>			
Payments to acquire property, plant and equipment		(22,339)	(44,502)
Proceeds from disposal of property, plant and equipment		8,085	6,814
Repayments from/(Advances to) related companies		19,614	(911)
Net cash inflow from acquisition of subsidiaries	42(a)	11,657	1,423
Net cash inflow from disposal of subsidiaries	42(b)	7,303	–
Advances to an associate		–	(18)
Proceeds from disposal of an associate		–	443
Proceeds from disposal of a jointly controlled entity		3,492	–
Proceeds from disposal of other investment		5,660	–
Payment to acquire proprietary software		–	(39,353)
Payment for product development costs		(120)	(6,087)
Advances to prospective investee companies		(17,500)	(28,746)
Increase in consideration paid for acquisition of prospective investee companies		(10,700)	–
Deposit paid for acquisition of investments		(100,000)	–
Increase in land held for development		(10,184)	(56,470)
Payments to acquire investment securities		–	(1,649)
Payment for land premium		(14,151)	–
Increase in amount due to a minority shareholder		2,359	–

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Notes	2003 HK\$'000	2002 HK\$'000
Increase in deposit received	–	478
Interest received	714	7,229
Net cash used in investing activities	<b>(116,110)</b>	(161,349)
<b>Cash flows from financing activities</b>		
Issue of convertible notes	200,000	550,000
Repayment of convertible notes	–	(200,000)
Capital element of finance lease payments	(325)	(623)
Release in pledged bank deposits	–	5,446
New loans and other borrowings raised	49,474	477,224
(Repayments to)/Advances from securities brokers and margin financiers	(33,795)	27,779
Repayments of loans and other borrowings	(251,843)	(230,462)
Capital contribution from a minority shareholder	–	20,000
Interest paid	(50,254)	(59,776)
Net cash (used in)/generated from financing activities	<b>(86,743)</b>	589,588
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(198,563)</b>	321,323
<b>Cash and cash equivalents at 1 April</b>	<b>258,738</b>	(61,455)
<b>Effect of foreign exchange rate changes</b>	<b>6,023</b>	(1,130)
<b>Cash and cash equivalents at 31 March</b>	<b>66,198</b>	258,738
<b>Analysis of balances of cash and cash equivalents</b>		
Cash at banks and in hand	66,469	262,102
Bank overdrafts	(271)	(3,364)
	<b>66,198</b>	258,738