

**CONSOLIDATED CASH FLOW STATEMENT**

For the year ended 31 March 2002

	<b>2002</b> HK\$'000	<b>2001</b> HK\$'000
<b>LOSS FROM OPERATING ACTIVITIES</b>		
<b>BEFORE TAXATION</b>	(1,485,267)	(238,275)
Adjustments for:		
Interest expenses	91,046	121,902
Interest income	(1,257)	—
Depreciation	32,768	49,588
Net realised gain on other investments	(21)	(51,088)
Provision for bad and doubtful debts	2,486	59,260
Share of results of associates and jointly controlled entities	—	(362)
Deficit arising on revaluation of cold storage warehouse and other land and buildings	—	30,933
Deficit arising on revaluation of investment properties	—	28,990
Net loss on disposals of property, plant and equipment	538,398	5,985
Loss on disposals of subsidiaries	1,991	10,847
Unrealised loss/(gain) on other investments	263	(11,197)
Provision for impairment losses of goodwill	—	85
Provision for bad and doubtful debts written back	(918)	—
Provision for impairment loss of properties held for development	60,041	—
Loss on disposal of investment properties	90,664	—
Loss arising from liquidation of subsidiaries	648,330	—
	<u>1,463,791</u>	<u>244,943</u>
<b>OPERATING (LOSS)/PROFIT BEFORE WORKING CAPITAL CHANGES</b>	(21,476)	6,668
Decrease in inventories	—	1,764
(Increase)/decrease in trade and other receivables	(405)	19,192
(Increase)/decrease in amounts due from I-China Group	(61)	6,166
Increase in trade and other payables	63,407	4,757
Decrease in amounts due to I-China Group	—	(3,063)
Increase in amount due to jointly controlled entity	—	940
	<u>62,941</u>	<u>29,756</u>
<b>CASH INFLOW FROM OPERATING ACTIVITIES</b>	41,465	36,424
Interest paid	(87,884)	(92,807)
Interest received	822	—
Hong Kong profits tax paid	(8)	(890)
Hong Kong profits tax refunded	—	3,233
<b>NET CASH OUTFLOW FROM OPERATING ACTIVITIES</b>	(45,605)	(54,040)

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For the year ended 31 March 2002

	Note	2002 HK\$'000	2001 HK\$'000
<b>NET CASH OUTFLOW FROM OPERATING ACTIVITIES</b>		(45,605)	(54,040)
<b>INVESTING ACTIVITIES</b>			
Proceeds from disposal of other investments		18,861	70,599
Net cash (outflow)/inflow on disposal of subsidiaries and subsidiaries under liquidation	34	(33,967)	26,968
Proceeds from disposals of property, plant and equipment		623,021	2,977
Net cash inflow on acquisition of subsidiaries (net of cash and cash equivalents acquired)	35	—	10
Purchase of property, plant and equipment		(1,866)	(13,167)
Decrease/(increase) in restricted bank deposits		15,163	(47)
Net proceeds from disposal of investment properties		137,082	—
<b>NET CASH INFLOW FROM INVESTING ACTIVITIES</b>		758,294	87,340
<b>NET CASH INFLOW BEFORE FINANCING</b>		712,689	33,300
<b>FINANCING</b>			
Repayment of bank borrowings		(709,251)	(22,336)
Repayment of obligations under finance leases		(775)	(2,049)
<b>NET CASH OUTFLOW FROM FINANCING</b>		(710,026)	(24,385)
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>		2,663	8,915
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>		67	(231)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>		5,166	(3,518)
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<u>7,896</u>	<u>5,166</u>
<b>ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances		7,896	11,974
Short-term bank borrowings with less than three months to maturity when raised		—	(3,291)
Bank overdrafts		—	(3,517)
		<u>7,896</u>	<u>5,166</u>

The notes on pages 25 to 56 form an integral part of these financial statements.