

## CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2003

	Note	2003 HK\$'000	2002 HK\$'000
<b>NET CASH USED IN OPERATIONS</b>	26(a)	<b>(27,570)</b>	(45,750)
Hong Kong profits tax refunded		–	403
Hong Kong profits tax paid		–	(186)
Taxes paid outside Hong Kong		(262)	(56)
Interest paid		<b>(2,299)</b>	(2,313)
<b>NET CASH USED IN OPERATING ACTIVITIES</b>		<b>(30,131)</b>	(47,902)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Interest received		433	526
Purchases of long term investments		(1,000)	(4,843)
Purchases of properties, plant and equipment		(8,349)	(3,558)
Purchases of associates		(725)	(5,775)
Loans to associates		(31,095)	–
Repayment of loan from an associate		6,250	2,000
Proceeds from disposal of:			
Properties, plant and equipment		–	10
Investment properties		11,677	–
Long term investments		22,000	–
Subsidiaries	26(b)	(13,010)	(111)
Acquisition of subsidiaries, net of cash acquired	26(c)	(11,837)	(2,754)
Decrease/(increase) in pledged time deposits and guarantee funds		9,569	(2,264)
Net cash used in investing activities		<b>(16,087)</b>	(16,769)
<b>NET CASH OUTFLOW BEFORE FINANCING ACTIVITIES</b>		<b>(46,218)</b>	(64,671)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of new shares		28,180	71,650
Proceeds from subscription of share options by minority shareholders of a subsidiary		2,902	–
Cost of share repurchase		–	(773)
Share issue expenses		(901)	(2,764)
Proceeds from interest bearing bank borrowings		15,755	3,695
Net cash generated from financing activities		<b>45,936</b>	71,808
<b>(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(282)</b>	7,137
Effect of exchange rate changes		(2,558)	(730)
Cash and cash equivalents at beginning of year		11,670	5,263
Cash and cash equivalents at end of year		<b>8,830</b>	11,670
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances		31,203	31,710
Pledged time deposits and guarantee funds	20	(16,278)	(15,847)
Bank overdrafts	22	(6,095)	(4,193)
		<b>8,830</b>	11,670