## CONSOLIDATED CASH FLOW STATEMENT For the year ended 31 December 2003

NoteHK\$'000NET CASH USED IN OPERATIONS26(a)(27,570)Hong Kong profits tax refunded-(48,750)Hong Kong profits tax refunded-(18,750)Hong Kong profits tax paid(2,299)(2,313)NET CASH USED IN OPERATING ACTIVITIES(30,131)(47,902)CASH FLOW FROM INVESTING ACTIVITIESInterest received433526Purchases of long term investments(1,000)(4,433)Purchases of properties, plant and equipment-10Investment properties2,000-Proceeds from disposal of:-10Proceeds from disposal of:Proceeds from investments2,000-Subsidiaries26(b)(13,010)(1111)Acquisition of subsidiaries, and guarantee funds26(c)11,637Opercase/finecrease) in pledged time deposits and guarantee funds2,959(2,264)Net cash used in investing activities2,8,18071,650Proceeds from isubscription of share options by minority shareholdens of a subsidiary Cost of share equirable activities2,902-Net cash used in investing activities45,33621,308(2,264)Net cash used prim subscription of share options by minority shareholdens of a subsidiary Cost of share equivalents at beginning of year11,6753,695Net cash used in investing activities45,33671,650-Proceeds from insubscription of share options by minority shareholdens of a subsidiary Cost of share			2003	2002
Hong Kong profits tax refunded-403Hong Kong profits tax paidTaxes paid outside Hong Kong(262)Interest paid(2,299)CASH FLOW FROM INVESTING ACTIVITIES(30,131)Interest received433Purchases of long term investments(1,600)Purchases of associates(7,25)Loans to associates(31,095)Porceeds from disposal of:-Proceeds from disposal of:-Proceeds from disposal of:-Proceeds from disposal of:-Properties, plant and equipment-Proceeds from disposal of:-Properties, plant and equipment-Investment properties11,677Long term investments22,000Proceeds from disposal of:-Proceeds from subsidiaries26(c)(11,837)(2,754)Decrease(increase) in pledged time deposits-and guarante funds9,569(2,264)(64,671)CASH FLOW FROM FINANCING ACTIVITIES-Proceeds from issue of new shares-Proceeds from subscription of share options-and guarantee funds2,902Proceeds from subscription of share options-Proceeds from interest bearing bank borrowings15,755Share issue exp		Note	HK\$'000	HK\$'000
Hong Kong profits tax paid-(186)Taxes paid outside Hong Kong(2,299)(2,313)NET CASH USED IN OPERATING ACTIVITIES(30,131)(47,902)CASH FLOW FROM INVESTING ACTIVITIESInterest received433526Purchases of long term investments(1,000)(4,843)Purchases of properties, plant and equipment(8,349)(3,538)Purchases of associates(31,095)-Coast of associates(31,095)-Proceeds from disposal of:-10Properties, plant and equipment1,677-Investments22,000-Proceeds from disposal of:-0Properties, plant and equipment-10Investments22,000-Subsidiaries26(c)(11,837)and guarantee funds9,569(2,264)Net cash acquired26(c)(11,837)Net cash used in investing activities(16,087)CASH FLOW FROM FINANCING ACTIVITIES(46,218)Proceeds from issue of new shares-Proceeds from issue of new shares-Proceeds from subscription of subsidiary2,902Cost of share repurchase-Proceeds from interest bearing bank borrowings15,755Net cash generated from financing activities45,936Proceeds from interest bearing bank borrowings15,755Net cash generated from financing activities45,936Proceeds from interest bearing bank borrowings15,755	NET CASH USED IN OPERATIONS	26(a)	(27,570)	(45,750)
CASH FLOW FROM INVESTING ACTIVITIESInterest received Purchases of long term investments Purchases of sasociates Purchases of associates Repayment of loan from an associate Proceeds from disposal of: Properties, plant and equipment Properties, plant and equipment Investment properties Subsidiaries and guarantee funds(1,000) (4,843) (3,558) (31,095) (2,250)Dars to associates Proceeds from disposal of: Properties, plant and equipment Investment properties Aussidiaries and guarantee funds-10Investment properties Subsidiaries, and guarantee funds26(c)(11,837)(2,754)Decrease/(increase) in pledged time deposits and guarantee funds9,569(2,264)Net cash used in investing activities(16,087)(16,769)NET CASH OUTFLOW BEFORE FINANCING ACTIVITIES(46,218)(64,671)CASH FLOW FROM FINANCING ACTIVITIES Proceeds from issue of new shares Proceeds from insection of share options by minority shareholders of a subsidiary Proceeds from interest bearing bank borrowings15,7553,695Net cash generated from financing activities45,93671,80871,808(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS(282)7,137Effect of exchange rate changes Cash and equivalents at beginning of year11,6705,263Cash and cash equivalents at end of year8,83011,670Cash and cash equivalents at end of year3,1,20331,710Pledged time deposits and guarantee funds Cash and bank balances Pledged time deposits and guarantee funds20(16,278) (15,847)Bank over	Hong Kong profits tax paid Taxes paid outside Hong Kong			(186) (56)
Interest received433526Purchases of long term investments(1,000)(4,843)Purchases of associates(725)(5,775)Loans to associates(31,095)-Repayment of loan from an associate6,2502,000Proceeds from disposal of:-100Properties, plant and equipment-100Investment properties11,677-Long term investments22,000-Subsidiaries,26(b)(11,837)And guarantee funds9,569(2,264)Net cash acquired26(c)(11,837)Opticatives9,569(2,264)Net cash used in investing activities(16,087)CASH ELOW FROM FINANCING ACTIVITIES(46,218)Proceeds from issue of new shares28,180Proceeds from issue of new shares29,002Proceeds from issue of new shares(773)Share issue expenses(773)Proceeds from interest bearing bank borrowings15,755Net cash generated from financing activities45,936OPERASEJ/INCREASE IN CASH AND(282)CASH EQUIVALENTS(282)Cash and cash equivalents at end of year11,670Cash and bank balances20Cash and bank balances20Cash and bank balances20Cash and bank balances20Cash and cash equivalents at end of year31,203Cash and bank balances20Cash and bank balances20Cash and bank balances20<	NET CASH USED IN OPERATING ACTIVITIES		(30,131)	(47,902)
Purchases of long term investments(1,00) (8,349)(4,843) (3,558)Purchases of properties, plant and equipment(8,349) (3,558)(3,575) (3,575)Loans to associates(725) (5,775)Loans to associates(725) (2,575)Loans to associates(725) 	CASH FLOW FROM INVESTING ACTIVITIES			
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net of cash acquired26(c)(11,837)(2,754)Decrease/(increase) in pledged time deposits and guarantee funds9,569(2,264)Net cash used in investing activities(16,087)(16,769)NET CASH OUTFLOW BEFORE FINANCING ACTIVITIES(46,218)(64,671)CASH FLOW FROM FINANCING ACTIVITIES(46,218)(64,671)Proceeds from issue of new shares Proceeds from subscription of share options by miority shareholders of a subsidiary Cost of share repurchase2,902-Ket cash generated from financing activities15,7553,695(2,264)Net cash generated from financing activities45,93671,808(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS(282)7,137Effect of exchange rate changes Cash and cash equivalents at beginning of year(2,558) 11,670(730)ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS31,203 2231,710Pledged time deposits and guarantee funds Bank overdrafts20(16,278) (16,278) (15,847) (4,193)	Investment properties Long term investments Subsidiaries	26(b)	22,000	
and guarantee funds9,569(2,264)Net cash used in investing activities(16,087)(16,769)NET CASH OUTFLOW BEFORE FINANCING ACTIVITIES(46,218)(64,671)CASH FLOW FROM FINANCING ACTIVITIES(46,218)(64,671)Proceeds from subscription of share options by minority shareholders of a subsidiary Cost of share repurchase2,902-Cost of share repurchase(15,755)3,695Net cash generated from financing activities45,93671,808(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS(282)7,137Effect of exchange rate changes Cash and cash equivalents at beginning of year(2,558) 11,670(730) 	net of cash acquired	26(c)	(11,837)	(2,754)
NET CASH OUTFLOW BEFORE FINANCING ACTIVITIES(46,218)(64,671)CASH FLOW FROM FINANCING ACTIVITIES(64,671)Proceeds from issue of new shares Proceeds from subscription of share options by minority shareholders of a subsidiary Cost of share repurchase2,902 - (773)Share issue expenses Proceeds from interest bearing bank borrowings15,755 15,7553,695Net cash generated from financing activities45,936 (15,75571,808(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS(282) (2,558) (730)7,137Effect of exchange rate changes Cash and cash equivalents at beginning of year(2,558) (11,670(730) 5,263Cash and cash equivalents at end of year8,83011,670ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS31,203 (16,278) (15,847) Bank overdrafts31,203 (16,095) (4,193)			9,569	(2,264)
FINANCING ACTIVITIES(46,218)(64,671)CASH FLOW FROM FINANCING ACTIVITIESProceeds from issue of new shares28,18071,650Proceeds from subscription of share options by minority shareholders of a subsidiary2,902-Cost of share repurchase-(773)Share issue expenses(901)(2,764)Proceeds from interest bearing bank borrowings15,7553,695Net cash generated from financing activities45,93671,808(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS(282)7,137Effect of exchange rate changes Cash and cash equivalents at beginning of year(2,558)(730)Cash and cash equivalents at end of year8,83011,670ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS31,20331,710Cash and bank balances Pledged time deposits and guarantee funds Pledged time deposits and guarantee funds Pledged time deposits and guarantee funds 2220(16,278) (15,847)	Net cash used in investing activities		(16,087)	(16,769)
Proceeds from issue of new shares Proceeds from subscription of share options by minority shareholders of a subsidiary Cost of share repurchase28,18071,650Cost of share repurchase Share issue expenses Proceeds from interest bearing bank borrowings2,902 (773) (901)(2,764)Net cash generated from financing activities45,93671,808(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS(282)7,137Effect of exchange rate changes Cash and cash equivalents at beginning of year(2,558) 11,670(730) 5,263Cash and cash equivalents at end of year8,83011,670ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS31,203 (16,278) (15,847) 2231,203 (16,278) (16,995)31,710 (15,847) (15,847)			(46,218)	(64,671)
Proceeds from subscription of share options by minority shareholders of a subsidiary2,902 (773)Cost of share repurchase(773)Share issue expenses(901)Proceeds from interest bearing bank borrowings15,755Net cash generated from financing activities45,936(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS(282)(Cash and cash equivalents at beginning of year(2,558) (11,670Cash and cash equivalents at end of year8,830ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS31,203 (16,278)Cash and bank balances Pledged time deposits and guarantee funds Bank overdrafts20 (16,278) (16,095)Cash and bank balances Pledged time deposits and guarantee funds Bank overdrafts20 (16,278) (16,095)	CASH FLOW FROM FINANCING ACTIVITIES			
by minority shareholders of a subsidiary2,902Cost of share repurchase-Share issue expenses(901)Proceeds from interest bearing bank borrowings15,755Net cash generated from financing activities45,936(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS(282)(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS(282)(Cash and cash equivalents at beginning of year(2,558) 11,670Cash and cash equivalents at beginning of year8,830Cash and cash equivalents at end of year8,830ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS31,710Cash and bank balances Pledged time deposits and guarantee funds Bank overdrafts20 22 (16,278) (16,278) (4,193)			28,180	71,650
Share issue expenses(901)(2,764)Proceeds from interest bearing bank borrowings15,7553,695Net cash generated from financing activities45,93671,808(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS(282)7,137Effect of exchange rate changes Cash and cash equivalents at beginning of year(2,558) 11,670(730) 5,263Cash and cash equivalents at end of year8,83011,670ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS31,203 (16,278) (15,847) Bank overdrafts31,203 (16,995)31,710 (4,193)	by minority shareholders of a subsidiary		2,902	(773)
(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS(282)Effect of exchange rate changes Cash and cash equivalents at beginning of year(2,558) 11,670Cash and cash equivalents at end of year8,830Cash and cash equivalents at end of year11,670ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS31,203 (16,278) (15,847) (15,847) (4,193)	Share issue expenses Proceeds from interest bearing bank borrowings			
CASH EQUIVALENTS(282)7,137Effect of exchange rate changes Cash and cash equivalents at beginning of year(2,558) 11,670(730) 5,263Cash and cash equivalents at end of year8,83011,670ANALYSIS OF BALANCES OF CASH AND 	Net cash generated from financing activities		45,936	71,808
Effect of exchange rate changes Cash and cash equivalents at beginning of year(2,558) 11,670(730) 5,263Cash and cash equivalents at end of year8,83011,670ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS31,20331,710Cash and bank balances Pledged time deposits and guarantee funds Bank overdrafts20 22(16,278) (6,095)31,710 (15,847) (4,193)			(282)	7,137
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS31,203Cash and bank balances Pledged time deposits and guarantee funds Bank overdrafts20(16,278) (15,847) (4,193)				(730)
CASH EQUIVALENTS31,203Cash and bank balances31,203Pledged time deposits and guarantee funds2022(16,278)(15,847)(4,193)	Cash and cash equivalents at end of year		8,830	11,670
Pledged time deposits and guarantee funds20(16,278)(15,847)Bank overdrafts22(6,095)(4,193)				
<b>8,830</b> 11,670	Pledged time deposits and guarantee funds		(16,278)	(15,847)
			8,830	11,670

