

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2003

	<i>Note</i>	2003 <i>HK\$'000</i>	2002 <i>HK\$'000</i>
Cash flows from operating activities			
Operating loss before working capital changes	26(a)	(29,152)	(12,835)
(Increase)/decrease in inventories		(97)	63
Decrease/(increase) in debtors and prepayments		23,423	(13,904)
(Increase)/decrease in trading investments		(14)	77
(Decrease)/increase in creditors and accruals		(1,581)	3,832
(Decrease)/increase in advance from a Director		(4,482)	4,482
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Cash used in operations		(11,903)	(18,285)
Interest paid		(3,334)	(4,193)
Interest element of finance lease rental payments		(45)	(56)
Overseas taxation paid		(574)	(714)
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Net cash used in operating activities		(15,856)	(23,248)
	
Cash flows from investing activities			
Purchase of property, plant and equipment		(2,670)	(2,817)
Disposal of property, plant and equipment		—	19,786
Acquisition of an associated company		—	(40,285)
Acquisition of a long-term investment		(30,000)	—
Dividend received		1	3
Interest received		50	3
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Net cash used in investing activities		(32,619)	(23,310)
	
Cash flows from financing activities			
Issue of new shares		92,067	42,480
Issue of convertible bonds		36,000	—
New long-term bank loan		42,910	—
New short term loan repayable more than three months from date of advance		—	20,000
Repayment of long-term bank loan		(2,000)	(10,528)
Repayment of short-term loan		(20,000)	—
Capital element of finance lease rental payments		(308)	(214)
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Net cash flows from financing activities	26(b)	148,669	51,738
	
Increase in cash and cash equivalents		100,194	5,180
Cash and cash equivalents at beginning of year		3,816	(1,364)
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Cash and cash equivalents at end of year		104,010	3,816
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Analysis of cash and cash equivalents			
Cash and bank balances		104,010	3,850
Bank overdrafts		—	(34)
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		104,010	3,816
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