

Consolidated Cash Flow Statement

For the year ended 31 December 2003

	Notes	2003 HK\$'000	2002 HK\$'000
OPERATING ACTIVITIES			
Loss from operations		(107,663)	(71,483)
Adjustments for:			
Interest income		–	(5)
Depreciation		42	107
Loss on disposal of property, plant and equipment		42	–
Reversal of accrued charges in respect of financial restructuring of the Group in prior years		(5,102)	–
Realised loss on surrender of other investments to discharge borrowings	26	46,620	–
Unrealised holding loss (gain) of other investments		5,620	(11,056)
Revaluation decrease on investment properties		45,000	–
Allowance for doubtful loans receivable		–	30,000
Allowance for amount receivable in respect of disposal of an investee company		–	25,000
Operating cash outflows before movements in working capital		(15,441)	(27,437)
Decrease in trade and other receivables, prepayments and deposits		568	2,668
Decrease in trade receivable due from an associate of an investee company		–	9,942
Decrease in other investments		27,230	11,391
Increase in amounts due to directors		1,868	–
Decrease in trade and other payables		(940)	(5,456)
Increase (decrease) in rental deposits		182	(828)
Cash from (used in) operations		13,467	(9,720)
Interest paid		(8,790)	(1,824)
Finance charges on finance lease paid		(6)	(21)
Other finance costs paid		–	(525)
Hong Kong Profits Tax paid		(59)	(99)
NET CASH FROM (USED IN) OPERATING ACTIVITIES		4,612	(12,189)
INVESTING ACTIVITIES			
Interest received		–	5
Proceeds on disposal of property, plant and equipment		350	–
Purchases of property, plant and equipment		–	(39)
Inflow of cash and cash equivalents in respect of acquisition of subsidiaries	25	–	511
NET CASH FROM INVESTING ACTIVITIES		350	477

Consolidated Cash Flow Statement

For the year ended 31 December 2003

	2003 HK\$'000	2002 HK\$'000
FINANCING ACTIVITIES		
Issue of shares	6,099	–
New short term borrowings raised	8,000	13,263
Repayment of bank loan	(9,100)	(2,600)
Repayment of obligations under a finance lease	(143)	(201)
Repayment of loans from directors	(314)	–
Repayment of other short term borrowings	(9,896)	(2,000)
	<hr/>	<hr/>
NET CASH (USED IN) FROM FINANCING ACTIVITIES	(5,354)	8,462
	<hr/>	<hr/>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(392)	(3,250)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		
	1,267	4,517
	<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT END OF YEAR		
	875	1,267
	<hr/>	<hr/>
ANALYSIS OF THE BALANCE OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	875	1,440
Bank overdraft	–	(173)
	<hr/>	<hr/>
	875	1,267
	<hr/>	<hr/>