

CONSOLIDATED CASH FLOW STATEMENT

For the Fifteen Months ended 31 March 2004

	1.1.2003	1.1.2002
	to	to
	31.3.2004	31.12.2002
	HK\$'000	HK\$'000
Cash flows from operating activities		
Loss before taxation	(57,737)	(191,293)
Adjustments for:		
Share of results of an associate	4	13,991
Share of results of jointly controlled entities	72	65
Interest income	(70)	(1,624)
Interest expense	1,960	37
Depreciation	6,495	9,165
Amortisation of goodwill	—	97
Loss on disposal of subsidiaries/discontinued operations	539	4,615
Allowance for a loan to Acme Landis Operations Holdings Limited, a former subsidiary	3,297	42,115
Allowance for doubtful debts	1,155	6,082
Allowance for amounts due from associates	317	—
Allowance for loans to an associate	—	14,216
Deficit arising on revaluation of investment properties	—	350
Deficit arising on revaluation of leasehold land and buildings	—	158
Loss on disposal of property, plant and equipment	379	410
Loss on waiver of amount due from a minority shareholder of a subsidiary	117	—
Loss on waiver of loan to a jointly controlled entity	7	—
Impairment loss recognised in respect of property, plant and equipment	9,971	785
Impairment loss recognised in respect of long term investments	3,900	—
Impairment loss recognised in respect of goodwill of subsidiaries	492	—
Impairment loss recognised in respect of goodwill of an associate	—	48,807
Operating cash outflows before movements in working capital	(29,102)	(52,024)
Decrease in inventories	137	2,410
Increase in trade and other receivables	(864)	(3,702)
Increase in trade and other payables	132	2,187
Cash used in operations	(29,697)	(51,129)
Interest paid	(1,534)	(37)
Hong Kong Profits Tax refunded	—	(77)
Net cash used in operating activities	(31,231)	(51,243)

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For the Fifteen Months ended 31 March 2004

	NOTES	1.1.2003 to 31.3.2004 HK\$'000	1.1.2002 to 31.12.2002 HK\$'000
Cash flows from investing activities			
Interest received		70	1,624
Proceeds from disposal of property, plant and equipment		227	7
Purchase of property, plant and equipment		(12,125)	(4,476)
Advances from jointly controlled entities		—	1,234
Investment in an associate		(4)	—
Advances to associates		(317)	(4,394)
Acquisition of a subsidiary/subsidiaries, net of cash and cash equivalents acquired	30	(72)	(103)
Disposal of subsidiaries/discontinued operations net of cash and cash equivalents disposal of	31	(115)	(4,894)
Net cash used in investing activities		(12,336)	(11,002)
Cash flows from financing activities			
Proceeds from issue of new shares		103,876	27,481
Bank loans raised		—	4,424
Other borrowings raised		34,270	—
Repayment of bank loans		—	(600)
Repayment of other borrowings		(30,270)	—
Net cash from financing activities		107,876	31,305
Net increase (decrease) in cash and cash equivalents		64,309	(30,940)
Cash and cash equivalents at beginning of the period/year		1,822	32,762
Cash and cash equivalents at end of the period/year, represented by bank balances and cash		66,131	1,822