

CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 March 2004 (Expressed in Hong Kong dollars)

	Notes	2004 \$'000	2003 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(36,902)	(76,692)
Adjustments for:			
Finance costs	7	788	112
Interest income from bank	5	(24)	(1,150)
Dividend income from listed investments	5	-	(59)
Gain on disposal of an associate	5	-	(80)
Gain on disposal of other investment	5	(1,500)	-
Depreciation	6	3,551	3,392
Loss on disposal of fixed assets	6	270	297
Impairment of fixed assets	6	5,526	-
Provision for inventory obsolescence	6	446	2,258
Provision for bad and doubtful debts	6	1,840	5,866
Loss on disposal of short term listed investments	6	20,035	19,324
Unrealised loss on short term listed investments	6	6,076	20,190
Write-back of provision for staff bonus	6	(3,109)	(4,547)
Write-back of provision for legal and professional cost		(13,000)	-
Gain on disposal of discontinued operations		(2,101)	-
Operating loss before working capital changes		(18,104)	(31,089)
Increase in loan receivables		(40,000)	-
Decrease in inventories		524	2,629
Decrease/(increase) in prepayments, deposits and other receivables		13,828	(13,773)
Decrease/(increase) in trade receivables		(5,999)	1,910
Decrease/(increase) in short term investments		14,504	(80,665)
Increase/(decrease) in trade payables, provisions, other payables, deposits and accrued liabilities		9,112	(581)
Exchange difference on working capital		-	128
Cash used in operations		(26,135)	(121,441)
Hong Kong profits tax refunded/(paid)		(276)	732
Overseas tax paid		(28)	-
Net cash outflow from operating activities			
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Continuing operations		(17,016)	(151,562)
Discontinued/discontinuing operations		(9,423)	30,853
Total		(26,439)	(120,709)

CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 March 2004 (Expressed in Hong Kong dollars)

(Continued)

	Notes	2004 \$'000	2003 \$'000
Net cash outflow from operating activities – page 21		(26,439)	(120,709)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		24	1,150
Dividend received from listed investments		–	59
Increase in note receivables		(1,500)	–
Deposit paid for acquisition of an interest in properties		(15,000)	–
Purchases of fixed assets		(333)	(25,995)
Acquisition of a subsidiary	29(a)	(69,998)	–
Disposal of subsidiaries	29(b)	17,999	–
Purchases of other investments		–	(5,000)
Proceeds from disposal of fixed assets		–	134
Proceeds from disposal of an associate		–	80
Proceeds from disposal of other investments		6,500	–
Net cash outflow from investing activities		(62,266)	(9,798)
Continuing operations		(42)	(19,774)
Discontinued/discontinuing operations			
Total		(62,308)	(29,572)
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest paid		(788)	(112)
Proceeds from issue of share capital	26	43,330	764
Share issue expenses	26	(869)	–
Increase in an amount due to a minority shareholder of a subsidiary		–	5
Capital element of finance lease rental payments		(68)	–
Net cash inflow from financing activities		41,605	652
Continuing operations		–	5
Discontinued/discontinuing operations			
Total		41,605	657
NET DECREASE IN CASH AND CASH EQUIVALENTS		(47,142)	(149,624)
Cash and cash equivalents at beginning of year		53,495	203,119
CASH AND CASH EQUIVALENTS AT END OF YEAR		6,353	53,495
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances		6,353	49,742
Time deposits with original maturity of less than three months when acquired		–	3,753
		6,353	53,495