

Consolidated Cash Flow Statement *for the year ended 31st March, 2003*

	2003 HK\$'000	2002 HK\$'000
OPERATING ACTIVITIES		
Loss before taxation	(1,016,082)	(1,819)
Adjustments for:		
Share of results of associates	727	1,636
Interest income	(166)	(450)
Interest expenses	68,882	56,675
Allowances for arbitration	105,343	5,002
Allowances for amounts due from associates	32,448	–
Allowances for bad and doubtful debts	99,423	–
Deficit on revaluation of leasehold land and buildings	3,597	1,333
Depreciation and amortisation	5,690	6,131
Impairment loss recognised in respect of property, plant and equipment	14,920	–
Impairment loss recognised in respect of properties under development	439,615	–
Impairment loss recognised in respect of properties held for future development	54,634	–
Impairment loss recognised in respect of investments in securities	600	–
Impairment loss recognised in respect of properties held for sale	66,076	–
Write off of long outstanding payable	(4,940)	–
Gain on disposal of investment properties	–	(12,000)
Gain on disposal of properties held for future development	(632)	–
Loss on disposal of property, plant and equipment	4,308	168
Unrealised holding (gain) loss on investments in securities	(651)	1,398
(Gain) loss on disposal of an associate	–	(5,233)
(Gain) loss on disposal of a subsidiary	–	(2,331)
Gain on disposal of investment securities	–	(10,697)
Write back of provision on short term land use right previously charged to income statement	–	(5,207)
Write back of provision on short term leasehold buildings previously charged to income statement	–	(2,842)
Operating cash flows before movements in working capital	(126,208)	31,764
(Increase) decrease in properties held for sale	(7,820)	101,852
(Increase) decrease in loans receivable	(90,789)	73,234
Decrease in trade, prepayments and other receivables	46,343	22,080
Increase in amount due to a director	7,791	–
Increase (decrease) in trade and other payables	92,092	(61,084)
Increase in advance from an associate	15,000	–
Cash (used in) generated by operations	(63,591)	167,846
Hong Kong Profits Tax paid	(223)	(1,338)
Overseas tax paid	(470)	(161)
NET CASH (USED IN) FROM OPERATING ACTIVITIES	(64,284)	166,347

Consolidated Cash Flow Statement (Continued) for the year ended 31st March, 2003

	NOTE	2003 HK\$'000	2002 HK\$'000
INVESTING ACTIVITIES			
Advances to associates		(16,598)	–
Purchase of subsidiaries (net of cash and cash equivalents acquired)	33	(1,959)	(53,837)
Purchase of property, plant and equipment		(2,829)	(26,865)
Purchase of properties held for future development		(230)	–
Decrease in properties under development		157,831	6,539
Proceeds from disposals of properties held for future development		651	–
Interest received from bank deposits		166	450
Proceeds from disposal of property, plant and equipment		95	–
Purchase of investment securities		–	(79)
Purchase of an associate		–	(5)
Repayment of advances from associates		–	21,904
Proceeds from disposal of investment properties		–	12,000
Proceeds from disposal of investment in securities		–	16,983
Proceeds from disposal of an associate		–	8,135
Disposal of a subsidiary (net of cash and cash equivalents disposed of)		–	1,572
Decrease in pledged bank deposits		–	501
NET CASH FROM (USED IN) INVESTING ACTIVITIES		137,127	(12,702)
FINANCING ACTIVITIES			
Repayment of bank and other borrowings		(363,801)	(334,217)
Interest paid		(80,182)	(110,986)
Redemption of convertible debentures		(11,107)	(15,263)
Repurchase and cancellation of shares		(2,131)	(6,457)
Repayment to minority shareholders		(666)	–
Share issue expenses		(4)	–
New bank and other borrowings raised		414,063	380,524
Decrease in other creditors		–	(16,859)
Exercise of 2001 warrants		–	364
NET CASH USED IN FINANCING ACTIVITIES		(43,828)	(102,894)
NET INCREASE IN CASH AND CASH EQUIVALENTS		29,015	50,751
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		(90,562)	(141,313)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		(28,550)	–
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		(90,097)	(90,562)
ANALYSES OF THE BALANCES OF CASH AND CASH EQUIVALENTS			
Bank balances and cash		10,864	8,876
Bank overdrafts		(100,961)	(99,438)
		(90,097)	(90,562)