

# Consolidated Cash Flow Statement

For the year ended 31 March 2003

	2003 <i>HK\$'000</i>	2002 <i>HK\$'000</i>
OPERATING ACTIVITIES		
Profit before taxation	9,105	154,724
Adjustments for:		
Depreciation of property, plant and equipment	16,044	10,072
Impairment loss on property, plant and equipment	–	94
Amortisation of goodwill	4,135	5,382
Deficit arising on revaluation of investment properties	800	84,000
Reversal of impairment loss on properties under development	–	(75,393)
Share of results of associates	(3,559)	(18,049)
Loss on disposal of investment properties	21,000	–
Loss on disposal of property, plant and equipment	–	30
Interest income	(2,916)	(3,072)
Interest expenses	25,534	20,240
Liabilities waived by minority shareholders	(9,842)	–
Gain on disposal of subsidiaries	(77,323)	(149,163)
Liabilities to the dissolved creditors written back	–	(6,531)
Allowance for amount due from an associate written back	–	(29,356)
Operating cash flows before movements in working capital	(17,022)	(7,022)
Decrease (increase) in inventories	266	(1,337)
Increase in amount due from an associate	(23,113)	–
Increase in trade and other receivables	(225,694)	(102,883)
Decrease in investments in securities	288	67
Decrease in bank trust and segregated accounts	13,348	1,147
(Decrease)/increase in trade and other payable	(22,869)	25,207
Increase in amount due to an associate	32,075	2
Decrease in amount due to a director	–	(3,968)
Increase (decrease) in amount due to a related company	51,839	(16,895)
Exchange difference	(468)	(320)
Cash used in operations	(191,350)	(106,002)
Profits tax refunded (paid)	75	(976)
Interest received	2,916	3,072
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<b>(188,359)</b>	<b>(103,906)</b>

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For the year ended 31 March 2003

	Notes	2003 <i>HK\$'000</i>	2002 <i>HK\$'000</i>
<b>INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(189,806)	(65,403)
Capital investment in an associate		–	(14,200)
Proceeds on disposal of investment properties		90,000	–
Proceeds on disposal of property, plant and equipment		200	454
Acquisition of subsidiaries	34	(260,888)	–
Acquisition of additional interests in subsidiaries		(17,911)	–
Increase in investment in an associate		(43,000)	–
Release of pledged bank deposit		17,500	500
Proceeds on disposal of subsidiaries (net of bank balances on disposal)	35	319,395	148,263
Decrease (increase) in non-current assets		66	(47)
<b>NET CASH (USED IN)/GENERATED FROM INVESTING ACTIVITIES</b>		<b>(84,444)</b>	<b>69,567</b>
<b>FINANCING ACTIVITIES</b>			
Decrease in amount due to minority shareholders		–	(18,764)
Expenses paid in connection with conversion issue of shares		(30)	(4)
New bank loan raised		15,239	153,261
Other loan raised		141,509	–
Issue of shares		–	1,739
Capital contribution from minority shareholders		23,585	–
Issue of convertible loan notes		40,600	200,000
Interest paid		(24,735)	(13,141)
Repayment of loan from minority shareholders		(2,000)	–
Repayment of obligations under finance leases		(533)	(277)
Repayment of bank loans		(126,474)	(220,972)
Increase in bank overdraft for financing purposes		50,539	3,390
<b>NET CASH GENERATED FROM FINANCING ACTIVITIES</b>		<b>117,700</b>	<b>105,232</b>
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(155,103)</b>	<b>70,893</b>
<b>CASH AND CASH EQUIVALENTS AT 1 APRIL</b>		<b>206,356</b>	<b>135,463</b>
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>		<b>(1,812)</b>	<b>–</b>
<b>CASH AND CASH EQUIVALENTS AT 31 MARCH</b>		<b>49,441</b>	<b>206,356</b>

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For the year ended 31 March 2003

	<i>Notes</i>	<b>2003</b> <i>HK\$'000</i>	2002 <i>HK\$'000</i>
<b>ANALYSIS OF THE BALANCE OF CASH AND CASH EQUIVALENTS</b>			
Cash and cash equivalent as previously reported			182,966
Effect of reclassification of secured bank overdraft			3,390
Effect of reclassification of revolving loans			<u>20,000</u>
Cash and cash equivalent as restated			<u>206,356</u>
Being:			
Deposits with banks and other financial institution		<b>64,852</b>	235,115
Less: Segregated accounts		<b>(2,740)</b>	(1,952)
Less: Trust accounts		<b>(12,671)</b>	<u>(26,807)</u>
		<u><b>49,441</b></u>	<u>206,356</u>