

## CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 March 2003

	Notes	2003 HK\$'000	2002 HK\$'000 (Restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit/(loss) before tax		<b>24,558</b>	(494,121)
Adjustments for:			
Finance costs	7	<b>14,037</b>	17,900
Share of profits and losses of jointly-controlled entities		<b>8</b>	2,362
Interest income	6	<b>(227)</b>	(157)
Depreciation	6	<b>5,683</b>	3,534
Loss on disposal of fixed assets	6	<b>125</b>	110
Loss on disposal of an investment property	6	<b>—</b>	7,716
Revaluation deficit on leasehold land and buildings	6	<b>526</b>	—
Provisions for impairment in values of properties held for development, properties under development and completed properties for sale	6	<b>—</b>	510,335
Reduction in land grant fees upon exchange of properties held for development	6	<b>—</b>	(63,649)
Provision for long service payments	27	<b>1,658</b>	—
Operating profit/(loss) before working capital changes		<b>46,368</b>	(15,970)
Increase in properties under development		<b>(175,781)</b>	(120,420)
Increase in properties held for development		<b>(9,490)</b>	(38,321)
Decrease in completed properties for sale		<b>213,139</b>	67,923
Decrease/(increase) in trade receivables		<b>(6,116)</b>	104,632
Increase in prepayments, deposits and other receivables		<b>(1,000)</b>	(14,561)
Decrease in trade payables		<b>(59,996)</b>	(20,837)
Increase/(decrease) in other payables and accruals		<b>99,255</b>	(1,176)
Increase in deposits received		<b>26,370</b>	18,132
Cash generated from/(used in) operations		<b>132,749</b>	(20,598)
Interest received		<b>227</b>	157
Interest paid		<b>(33,423)</b>	(31,814)
Overseas taxes paid		<b>(1,866)</b>	(81)
Net cash inflow/(outflow) from operating activities		<b>97,687</b>	(52,336)

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Year ended 31 March 2003

	Notes	2003 HK\$'000	2002 HK\$'000 (Restated)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchases of fixed assets	14	(15,038)	(12,216)
Proceeds from disposal of fixed assets		604	60,026
Increase in net amounts due to jointly-controlled entities		1,656	1,792
Investment in a jointly-controlled entity		(18,681)	–
Increase in pledged deposits		(3,201)	(27,387)
Increase in time deposits		(571)	–
Acquisition of a subsidiary	32(b)	–	(34,126)
Net cash outflow from investing activities		(35,231)	(11,911)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Capital contribution from minority shareholder of a subsidiary		1,795	–
Proceeds from issue of share capital		–	59,880
New bank borrowings and other loans		176,572	225,668
Repayment of bank borrowings and other loans		(109,013)	(182,418)
Repayment of bank overdrafts		(818)	(184)
Decrease in amount due to the ultimate holding company		(106,972)	(15,184)
Net cash inflow/(outflow) from financing activities		(38,436)	87,762
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>24,020</b>	<b>23,515</b>
Cash and cash equivalents at beginning of year		76,394	52,879
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>100,414</b>	<b>76,394</b>
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances		100,414	76,394