



# CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 March 2003

	<i>Notes</i>	<b>2003</b> <b>HK\$'000</b>	2002 HK\$'000 <i>(Restated)</i>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Loss before tax		<b>(291,876)</b>	(166,509)
Adjustments for:			
Finance costs	7	<b>11,284</b>	13,088
Share of losses of associates		–	2,760
Interest income	5	<b>(374)</b>	(2,363)
Dividend income	5	<b>(37,362)</b>	(40,629)
Negative goodwill recognised as income	5	<b>(1,624)</b>	(2,164)
Gain on partial disposal of a subsidiary	5	–	(13,000)
Gain on deemed disposal of an associate	5	–	(6,816)
Gain on partial disposal of an associate	5	–	(3,441)
Depreciation	6	<b>2,104</b>	2,791
Amortisation of goodwill	6	<b>2,242</b>	6,175
Loss on disposal of fixed assets	6	<b>2,761</b>	–
Loss on disposal of investment properties	6	<b>2,000</b>	–
Impairment loss of properties held for re-development	6	<b>7,000</b>	–
Unrealised holding losses on listed investments	6	<b>10,025</b>	37,403
Net realised holding losses on listed investments	6	<b>7,317</b>	–
Revaluation deficit of investment properties	6	<b>2,720</b>	300
Loss on disposal of subsidiaries	33(a)	<b>702</b>	–
Amortisation of investment in a joint venture		<b>68,510</b>	68,510
Impairment loss of long term investments		<b>118,905</b>	86,664
Provisions against accounts and loans receivable		<b>75,236</b>	11,100
Reversal of provision for doubtful debts		<b>(1,630)</b>	(10,920)
Impairment loss of goodwill		–	4,000
Operating profit before working capital changes		<b>(22,060)</b>	(13,051)
Decrease in inventories		<b>4,826</b>	419
Decrease/(increase) in prepayments, deposits and other receivables		<b>8,687</b>	(44,509)
Increase in accounts and loans receivable		<b>(41,059)</b>	(7,311)
Decrease/(increase) in short term investments		<b>743</b>	(28,958)
Decrease/(increase) in client trust bank accounts		<b>11,727</b>	(16,492)
Increase/(decrease) in accounts payable, other payables and accrued expenses		<b>(8,915)</b>	12,968
Increase/(decrease) in amount due to a joint venture		<b>(1,424)</b>	2,959
Cash used in operation		<b>(47,475)</b>	(93,975)



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Cash used in operation		(47,475)	(93,975)
Interest received		374	2,363
Interest paid		(11,284)	(13,088)
Hong Kong profits tax paid		(3,689)	(17)
<b>Net cash outflow from operating activities</b>		<b>(62,074)</b>	<b>(104,717)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Dividend income		37,362	40,629
Additional acquisition of interest in an existing subsidiary		(11,855)	–
Acquisition of long term investments		(42,470)	(72,598)
Repayment from an investee company		2,800	13,584
Purchases of fixed assets		(1,771)	(1,201)
Proceeds from partial disposal of a subsidiary		–	20,333
Proceeds from partial disposal of an associate		–	5,232
Proceeds from disposal of subsidiaries	33(a)	283	–
Proceeds from disposal of fixed assets		1,796	319
Proceeds from disposal of investment properties		800	–
Proceeds from disposal of long term investments		1,212	–
Decrease in amounts due from associates		–	40,513
<b>Net cash inflow/(outflow) from investing activities</b>		<b>(11,843)</b>	<b>46,811</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Issue of new shares	30, 32	7,200	–
Gross proceeds from exercise of options	30, 32	2,405	–
Gross proceeds from exercise of warrants		–	5,600
Gross proceeds from rights issue		–	29,927
Share issue expenses	32	(180)	(2,126)
Decrease in time deposits pledged to banks		16,360	3,283
New bank loans		58,480	9,425
Repayment of bank loans		(51,062)	(20,470)
Repayment of other borrowings		(21,193)	(19,954)
Capital element of hire purchase contract payments		(294)	(486)
<b>Net cash inflow from financing activities</b>		<b>11,716</b>	<b>5,199</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(62,201)</b>	<b>(52,707)</b>



# CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 March 2003

	<i>Notes</i>	<b>2003</b> <b>HK\$'000</b>	2002 HK\$'000 <i>(Restated)</i>
Effect of foreign exchange rate changes, net		–	3
Cash and cash equivalents at beginning of year		<b>79,431</b>	132,135
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>17,230</b>	79,431
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances	26	<b>18,445</b>	31,382
Non-pledged time deposits with original maturity less than three months when acquired	26	<b>5,000</b>	48,049
Bank overdrafts	29	<b>(6,215)</b>	–
		<b>17,230</b>	79,431