

CONSOLIDATED CASH FLOW STATEMENT

33

For the year ended March 31, 2004

	2004 HK\$ '000	2003 HK\$ '000
OPERATING ACTIVITIES		
Profit (loss) from operations	115,228	(58,645)
Adjustments for:		
Deficit on revaluation of investment properties	180	4,123
Impairment loss (reversed) recognised in respect of property, plant and equipment	(5,987)	8,797
Impairment loss recognised in respect of investments in securities	–	28,060
Unrealised holding gain on other investments	(370)	–
Depreciation and amortisation of property, plant and equipment	9,605	4,232
Amortisation of goodwill	1,959	654
Negative goodwill released to income statement	–	(3,488)
(Gain) loss on disposals of property, plant and equipment	(173)	170
Loss on disposal of investments in securities	–	16
Interest income	(425)	(257)
Operating cash flows before movements in working capital	120,017	(16,338)
Increase in other investments	(14,430)	–
Increase in inventories	(8,825)	(7,288)
Increase in amounts due from customers for contract work	(49,861)	–
Increase in trade and other receivables	(298,067)	(46,077)
Decrease (increase) in amount due from an associate	2,199	(2,199)
Increase in amounts due to customers for contract work	343	–
Increase in trade and other payables	70,649	1,551
Increase in amounts due to minority shareholders of subsidiaries	2,395	2,895
Decrease in amount due to former ultimate holding company	–	(1,049)
Decrease in amount due to a former fellow subsidiary	–	(980)
Cash used in operations	(175,580)	(69,485)
Hong Kong Profits Tax paid	–	(170)
PRC income tax paid	(327)	(195)
NET CASH USED IN OPERATING ACTIVITIES	(175,907)	(69,850)

For the year ended March 31, 2004

	NOTES	2004 HK\$'000	2003 HK\$'000
INVESTING ACTIVITIES			
Interest received		425	257
Investment in an associate		–	(1)
Deposits paid for investments		(12,381)	–
Decrease (increase) in pledged bank deposits		57,143	(57,143)
Purchase of additional interest in a subsidiary		(571)	–
Purchase of property, plant and equipment		(107,273)	(18,106)
Proceeds from disposal of property, plant and equipment		9,909	–
Proceeds from disposal of an associate		1,704	–
Proceeds from disposals of investments in securities		–	134
Purchase of subsidiaries, net of cash and cash equivalents acquired	33	(111,623)	(2,165)
Disposal of subsidiaries, net of cash and cash equivalents disposed of	34	43,152	–
NET CASH USED IN INVESTING ACTIVITIES		(119,515)	(77,024)
FINANCING ACTIVITIES			
Interest paid		(26,171)	(6,169)
Proceeds from issue of ordinary shares		217,300	30,000
Proceeds from issue of convertible note		46,800	–
Proceeds from issue of convertible bonds		46,530	–
Share issue expenses		(9,432)	–
Expenses on issuing convertible bonds		(932)	–
Proceeds from exercise of share options		–	110
New bank and other borrowings raised		640,976	222,571
Repayments of bank and other borrowings		(301,267)	(23,000)
Repayments of obligations under a hire purchase contract		(53)	–
Capital injected by a minority shareholder		933	–
Proceeds of private placements received in advance		58,000	–
NET CASH FROM FINANCING ACTIVITIES		672,684	223,512
NET INCREASE IN CASH AND CASH EQUIVALENTS		377,262	76,638
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		92,477	14,664
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		2,084	1,175
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		471,823	92,477
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS			
Bank balances and cash		471,823	92,477