

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st March, 2004

<i>Notes</i>	2004 <i>HK\$'000</i>	2003 <i>HK\$'000</i>
OPERATING ACTIVITIES		
Loss before taxation	(89,499)	(224,556)
Adjustments for:		
Share of results of associates	40	(51)
Interest income	(624)	(390)
Interest expenses	20,272	16,014
Depreciation and amortisation of property, plant and equipment	6,973	2,829
(Surplus) deficit on revaluation of investment properties	(1,450)	6,879
Amortisation of goodwill	5,951	9,069
Impairment of goodwill	29,423	25,816
Impairment loss in respect of property, plant and equipment	16,830	–
Impairment of investment in securities	60,655	58,720
Allowance for amount due from an associate	2,340	–
(Gain) loss on disposal of subsidiaries	(104,422)	3,550
Gain on disposal of an associate	(33)	–
Loss on disposal of property, plant and equipment	138	198
Net unrealised holding losses on other investment	22,972	45,539
Operating cash flow before movements in working capital	(30,434)	(56,383)
Decrease in inventories	12,751	506
Increase in trade and other receivables and prepayment	(25,770)	(14,463)
Increase in interest in a property project	–	(8,229)
Increase in investments in securities	(2,083)	(21,101)
Increase (decrease) in trade and other payables	12,061	(20,249)
Cash used in operations	(33,475)	(119,919)
Hong Kong Profits Tax paid	–	(2,074)
Overseas Tax paid	(2,854)	–
Interest paid	(20,272)	(9,635)
NET CASH USED IN OPERATING ACTIVITIES	(56,601)	(131,628)
INVESTING ACTIVITIES		
Purchase of subsidiaries (net of cash and cash equivalents acquired)	25 (25,000)	(41,619)
Purchase of property, plant and equipment	(14,341)	(9,262)
Deposit paid for acquisition of subsidiaries	(36,874)	–
Disposal of subsidiaries (net of cash and cash equivalents acquired)	26 29,350	22,000
Proceeds from disposal of associates	7,075	–
Proceeds from disposal of property, plant and equipment	1,187	569
Decrease (increase) in pledged bank deposits	994	(4,026)
Interest received	624	390
Proceeds from disposal of investment in securities	377	–
Repayment from (advances to) associates	205	(3)
Purchase of investment in securities	–	(58,301)
Increase in investment in an associate	–	(7,075)
Purchase of investment properties	–	(4,550)
NET CASH USED IN INVESTING ACTIVITIES	(36,403)	(101,877)

CONSOLIDATED CASH FLOW STATEMENT*For the year ended 31st March, 2004*

	2004 <i>HK\$'000</i>	2003 <i>HK\$'000</i>
FINANCING ACTIVITIES		
New borrowings raised	142,375	4,473
Net proceeds from issue of shares	36,420	259,990
Repayment of borrowings	(97,860)	(32,521)
Repayment to a minority shareholder	(16,971)	–
Net proceeds from issue of warrant	–	26,719
Repayment from minority shareholders	–	8,803
NET CASH FROM FINANCING ACTIVITIES	63,964	267,464
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(29,040)	33,959
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	77,330	43,371
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	48,290	77,330
Cash and cash equivalents representing		
Bank balances and cash	60,920	87,956
Bank overdrafts (<i>note 21</i>)	(12,630)	(10,626)
	48,290	77,330