

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 March 2004	2004 HK\$'000	2003 HK\$'000
Operating Activities		
Loss from operations	(138,790)	(87,252)
Adjustments for:		
Allowance for bad and doubtful debts	40,568	23,179
Allowance for inventories	46	3,550
Allowance for loans receivable	31,047	—
Amortisation of goodwill arising from acquisition of subsidiaries	3,588	—
Allowance for amounts due from associates written (back) made	(6,260)	28,363
Allowance for amount due from a minority shareholder	278	1,664
Depreciation	18,105	23,866
Gain on disposal of other securities	—	(50)
Gain on disposal of property, plant and equipment	—	(3,807)
Interest income	(5,198)	(7,091)
Write back of other borrowings	(1,696)	—
Write back of unclaimed dividend	—	(273)
Operating cash outflows before movements in working capital	(58,312)	(17,851)
Decrease in inventories	3,050	13,455
Increase in trading securities	—	(7)
Increase in trade and other receivables, deposits and prepayments	(18,733)	(44,344)
Decrease in loans receivable	—	222
Decrease in bills payable and import loans	(14,253)	(9,232)
Increase in rental and sales deposits received	—	88
Increase in trade payables and other payables and accruals	12,804	10,610
Increase in amount due from a related company	(137)	—
Net cash used in operations	(75,581)	(47,059)
Hong Kong Profits Tax refunded	113	131
Net Cash used in Operating Activities	(75,468)	(46,928)

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For the year ended 31 March 2004	Notes	2004 HK\$'000	2003 HK\$'000
Investing activities			
Proceeds from disposal of subsidiaries (net of cash and cash equivalents disposed of)	34	—	28,184
Purchase of subsidiaries (net of cash and cash equivalents acquired)	35	(78,517)	—
Purchase of property, plant and equipment		(1,988)	(3,187)
Increase in pledged bank deposits		(736)	(26,593)
(Increase) decrease in amounts due from minority shareholders		(278)	260
Refund of deposit paid for acquisition of an associate		7,000	—
Decrease (increase) in amounts due from associates		6,260	(15,587)
Interest received		564	7,091
Advances of loans receivable		(288,814)	—
Repayments from loans receivable		262,401	—
Purchase of other securities		—	(30,000)
Deposit paid for acquisition of an associate		—	(10,000)
Proceeds from disposal of property, plant and equipment		—	22,287
Proceeds from disposal of associates		—	1,100
Proceeds from disposal of other securities		—	30,050
Net cash (used in) from investing activities		(94,108)	3,605
Financing activities			
Repayment of bank loans		(60,188)	(62,459)
Repayment of amounts due to related companies		(30,307)	—
Repayment of other borrowings		(3,146)	(65,509)
Interest paid		(2,222)	(1,048)
Repayment of amounts due to minority shareholders		(400)	—
New bank loans raised		35,735	72,921
Advances from related companies		29,792	1,065
New other borrowings raised		4,029	751
Issue of shares		—	450,000
Advances from minority shareholders		—	964
Net cash (used in) from financing activities		(26,707)	396,685
Net (decrease) increase in cash and cash equivalents		(196,283)	353,362
Cash and cash equivalents at beginning of the year		369,198	15,072
Effect of foreign exchange rate changes		1,231	764
Cash and cash equivalents at end of the year		174,146	369,198
Analysis of the balances of cash and cash equivalents			
Bank balances and cash		193,479	378,364
Bank overdrafts		(19,333)	(9,166)
		174,146	369,198