

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 March 2004

	Note	2004 HK\$	2003 HK\$
Cash flows from operating activities			
Profit/(loss) before taxation		444,546,411	(75,179,109)
Adjustments for			
Share of results of associates		415,568	(259,941)
(Surplus)/deficit on revaluation of investment properties		(150,000)	1,610,000
Provision for impairment loss on hotel properties		24,625,768	12,500,000
Depreciation		9,908,156	11,292,948
Interest income		(183)	(222)
Interest expenses		36,032,692	55,293,968
Loss on disposal of fixed assets		1,733,802	218,470
Gain on disposal of investment properties		–	(2,023,664)
Gain on financial restructuring	9	(525,345,838)	–
Provision for doubtful debts		1,978,472	1,369,655
(Decrease)/increase in provision for inventories		(346,583)	473,389
Write back of provision for loans to jointly controlled entities		(758,096)	(10,360,818)
Operating loss before working capital changes		(7,359,831)	(5,065,324)
Decrease in amount due from a related company		–	11,394,838
Increase in trade and other receivables		(1,193,786)	(941,501)
Decrease in inventories		367,922	216,859
Decrease in accounts payable		(945,890)	(1,493,165)
Net cash (outflow)/inflow generated from operations		(9,131,585)	4,111,707
Interest paid		(768,468)	(65,583,032)
Hong Kong profits tax paid		(974,996)	–
Net cash used in operating activities		(10,875,049)	(61,471,325)
Cash flows from investing activities			
Purchase of fixed assets		(718,615)	(1,159,010)
Net cash outflow from disposal of subsidiaries	29(a)	(34,436)	–
Net proceeds from disposal of investment properties		–	126,623,664
Loan repayment from a jointly controlled entity	29(b)	758,096	16,324,055
Interest received		183	222
Dividend received from associates		412,100	–
Net cash inflow from investing activities		417,328	141,788,931

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For the year ended 31 March 2004

	Note	2004 HK\$	2003 HK\$
Cash flows from financing activities			
Issue of new shares	29(b)	54,000,000	–
Capital expenditure on issue of new shares		(660,106)	–
Repayments of loans		(12,309,060)	(87,535,964)
Advances from a shareholder		4,294,923	343,759
(Repayment to)/advances from associates		(122,463)	300,000
Repayment to a related company		(200,276)	–
Advances from third parties		–	7,088,625
Net cash generated from/(used in) financing activities		45,003,018	(79,803,580)
Net increase in cash and cash equivalents		34,545,297	514,026
Cash and cash equivalents at 1 April		2,504,544	1,935,801
Effect of foreign exchange rate changes		6,952	54,717
Cash and cash equivalents at 31 March		37,056,793	2,504,544
Analysis of cash and cash equivalents			
Cash and bank balances		37,056,793	2,504,544

The accompanying notes form an integral part of these financial statements.