

# CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st March, 2004

	2004 HK\$'000	2003 HK\$'000
Loss from operations	(31,373)	(35,357)
Adjustments for:		
Depreciation	14,855	14,173
Amortisation of intangible assets	751	993
Amortisation of goodwill	-	275
(Surplus) deficit arising on revaluation of investment properties	(17,700)	2,100
Impairment loss recognised in respect of properties held for resale	5,548	1,403
Loss on disposal of property, plant and equipment	974	268
Unrealised loss on other investments	11,727	52
Interest income, other than from loans receivable	(1,505)	(2,251)
Reversal of allowances for doubtful loans and interest receivables, net	(15,051)	(323)
Write-back of provision for restructuring costs	-	(4,877)
Allowance for consideration receivable on disposal of interest in an associate	3,527	882
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Operating cash outflows before movements in working capital	(28,247)	(22,662)
Decrease in properties held for resale	13,152	5,158
Increase in inventories	(12,677)	(1,184)
Decrease in loans and interest receivables	7,079	5,056
(Increase) decrease in debtors, deposits and prepayments	(27,690)	8,615
(Increase) decrease in amounts due from associates	(6,719)	4,943
Increase in amount due from a related company	(149)	-
(Increase) decrease in investments in securities	(6,881)	5,829
Increase (decrease) in creditors, accrued charges and deposits	20,014	(17,696)
Decrease in provision for restructuring costs	(1,632)	(15,256)
Decrease in amounts due to associates	(296)	(1,951)
Increase in amount due to a jointly controlled entity	3,880	1,948
(Decrease) increase in amounts due to related companies	(2,753)	1,626
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Cash used in operations	(42,919)	(25,574)
Hong Kong Profits Tax paid	-	(2,274)
Overseas taxation refunded (paid)	744	(5)
Interest paid	(7,087)	(9,545)
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NET CASH USED IN OPERATING ACTIVITIES	(49,262)	(37,398)

## CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st March, 2004

	<i>Notes</i>	2004 <i>HK\$'000</i>	2003 <i>HK\$'000</i>
<b>INVESTING ACTIVITIES</b>			
Proceeds from disposal of investments in securities		21,555	-
Decrease (increase) in pledged bank deposits		1,901	(6,178)
Interest received, other than from loans receivable		1,505	2,251
Proceeds from disposal of property, plant and equipment		1,118	231
Cash received upon conversion of debt securities		880	-
Purchase of subsidiaries (net of cash and cash equivalents)	36	223	59
Proceeds from disposal of investment in a jointly controlled entity and associates		1	-
Deposits paid on acquisition of interest in associates		(17,302)	-
Investment in a jointly controlled entity		(4,805)	-
Advance to associates		(3,436)	(14,643)
Advances to jointly controlled entities		(2,713)	-
Purchase of property, plant and equipment		(1,604)	(3,015)
Deposit paid on acquisition of an investment		(1,113)	(1,885)
Acquisition of intangible assets		(148)	(198)
Deconsolidation, dilution and disposal of interest in subsidiaries (net of cash and cash equivalents)	37	(637)	102,728
Repayment from jointly controlled entities		-	3,130
Investment in associates		-	(19,868)
<b>NET CASH (USED IN) FROM INVESTING ACTIVITIES</b>		<b>(4,575)</b>	<b>62,612</b>
<b>FINANCING ACTIVITIES</b>			
Proceeds from issue of shares		139,000	56,000
Borrowings raised		28,750	26,703
Repayment of borrowings		(83,456)	(21,884)
Share issue expenses		(3,731)	(1,529)
Repayment of convertible notes		-	(100,000)
<b>NET CASH FROM (USED IN) FINANCING ACTIVITIES</b>		<b>80,563</b>	<b>(40,710)</b>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>26,726</b>	<b>(15,496)</b>
<b>CASH AND CASH EQUIVALENTS BROUGHT FORWARD</b>		<b>13,331</b>	<b>28,436</b>
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>		<b>21</b>	<b>391</b>
<b>CASH AND CASH EQUIVALENTS CARRIED FORWARD, represented by bank balances and cash</b>		<b>40,078</b>	<b>13,331</b>