

Consolidated Cash Flow Statement

For the year ended 31st March, 2004

	2004	2003
<i>Notes</i>	HK\$'000	<i>HK\$'000</i> <i>(Restated)</i>
OPERATING ACTIVITIES		
Profit/(loss) before taxation	62,356	(187,027)
Adjustments for:		
Share of results of associates and jointly-controlled entities	(81,375)	238,975
Interest income	(5,168)	(16,228)
Interest expenses	34,168	12,899
Dividend income from unlisted investments in securities	(361)	(435)
Depreciation and amortisation	45,030	43,512
Release of negative goodwill of subsidiaries	(58,511)	–
Amortisation of permanent export quota entitlements	–	2,185
Write back of allowance for properties under development	(9,345)	–
Gain on disposals of subsidiaries	(1,394)	–
Write-off of negative goodwill arising from acquisitions of subsidiaries	(820)	–
Loss on deemed disposal of partial interests in a subsidiary	56,242	–
Loss on write-off of interest in a jointly-controlled entity	–	5
Write-off of loans to jointly-controlled entities	84,488	–
(Gain)/loss on disposals of property, plant and equipment	(1,798)	39
Release of negative goodwill arising on deemed acquisition of additional interests in a subsidiary	–	(543)
Unrealised (gain)/loss on investments in securities	(123)	831
Impairment loss on goodwill arising on an associate acquired in prior years	–	10,394
(Surplus)/deficit arising on revaluation of investment properties	(184,355)	100
Operating cash flows before movements in working capital	(60,966)	104,707

Consolidated Cash Flow Statement (Continued)

For the year ended 31st March, 2004

	Notes	2004 HK\$'000	2003 HK\$'000 (Restated)
Increase in properties under development		(124,967)	–
Decrease/(increase) in inventories		38,892	(26,189)
Decrease in properties held for sale		77,212	–
Decrease in amounts due from customers for contract work		5,436	9,494
Decrease in retention monies receivable		10,254	11,014
(Increase)/decrease in debtors and prepayments		(36,142)	48,236
Decrease in creditors and accrued charges		(112,731)	(29,582)
(Decrease)/increase in amounts due to customers for contract work		(30,183)	29,210
Increase in customers' deposits		2,141	–
Increase in sales deposits received		53,819	–
Exchange differences		(348)	63
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Cash (used in)/generated from operations		(177,583)	146,953
Hong Kong Profits Tax paid		(17,561)	(6,639)
Overseas taxes paid		(2,772)	(14)
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NET CASH (USED IN)/FROM OPERATING ACTIVITIES		(197,916)	140,300
INVESTING ACTIVITIES			
Interest received		5,168	16,228
Dividends received from jointly-controlled entities		5,913	4,742
Dividends received from unlisted investments in securities		361	435
Proceeds from disposals of property, plant and equipment		3,109	228
Purchases of property, plant and equipment		(16,913)	(17,934)
Purchases of investment properties		(5,498)	–
Acquisitions of subsidiaries – net of cash and cash equivalents acquired	35	123,571	–
Net cash inflows from disposals of subsidiaries	36	989	–
Investments in associates		(3,950)	(206)
Advances to associates		(3,784)	(3,600)
Repayments from/(advances to) jointly-controlled entities		23,057	(666)
Consideration paid to a minority shareholder on repurchase of share of a subsidiary		–	(865)
Capital repatriation of investments in securities		2,000	–
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NET CASH FROM/(USED IN) INVESTING ACTIVITIES		134,023	(1,638)

Consolidated Cash Flow Statement *(Continued)*

For the year ended 31st March, 2004

	2004 <i>HK\$'000</i>	2003 <i>HK\$'000</i> <i>(Restated)</i>
<i>Notes</i>		
FINANCING ACTIVITIES		
Interest paid	(49,192)	(12,899)
Dividends paid	(11,027)	(11,008)
Dividends paid to minority shareholders of a subsidiary	(977)	(1,842)
New bank borrowings raised	1,202,697	653,423
Repayments of bank borrowings	(936,174)	(624,019)
Repayments of obligations under hire purchase contracts	(4,104)	(7,216)
Capital contributions from minority shareholders	107,303	–
Repayments to minority shareholders of a subsidiary	(9,167)	(9,135)
Increase in pledged bank balances	(116,722)	(19,152)
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NET CASH FROM/(USED IN) FINANCING ACTIVITIES	182,637	(31,848)
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INCREASE IN CASH AND CASH EQUIVALENTS	118,744	106,814
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	169,169	62,355
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CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	287,913	169,169
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ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	328,508	184,067
Bank overdrafts	(40,595)	(14,898)
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	287,913	169,169
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