

Consolidated Cash Flow Statement

For the year ended 31 March 2005

	2005 <i>HK\$'000</i>	2004 <i>HK\$'000</i> (Restated)
OPERATING ACTIVITIES		
Loss before taxation	(70,836)	(30,269)
Adjustments for:		
Depreciation of property, plant and equipment	9,902	17,865
Amortisation of goodwill	332	103
Surplus arising on revaluation of investment properties	(10,566)	(24,978)
Impairment loss recognised on goodwill	–	6,618
Share of results of an associate	–	2,371
Gain on disposal of investment properties	(1,180)	–
Loss on disposal of property, plant and equipment	69	78
Interest income	(183)	(3,968)
Interest expenses	34,491	31,043
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Operating cash flows before movements in working capital	(37,971)	(1,137)
Decrease (increase) in inventories	957	(490)
Decrease in trade and other receivables	170,908	258,843
Increase in amount due from an associate	–	(66,584)
Decrease in investments in securities	220	30
Increase in properties under development for sale	(94,199)	–
Decrease in bank trust and segregated accounts	1,919	4,868
Increase in construction contract under progress	(3,266)	–
Increase in trade and other payable	107,553	76,569
Increase (decrease) in amount due to a related company	33,949	(80,227)
Decrease in loan receivable	2,400	1,400
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Cash generated from operations	182,470	193,272
Profits tax paid	(771)	(410)
Interest received	183	3,968
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NET CASH GENERATED FROM OPERATING ACTIVITIES	181,882	196,830

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For the year ended 31 March 2005

	<i>Notes</i>	2005 <i>HK\$'000</i>	2004 <i>HK\$'000</i> (Restated)
INVESTING ACTIVITIES			
Acquisition of a subsidiary	32	–	10,981
Acquisition of additional interests in subsidiaries		–	(21,228)
Purchase of investment properties		(31,888)	(42,611)
Purchase of property, plant and equipment		(221,907)	(414,249)
Proceeds on disposal of investment properties		127,180	–
Proceeds on disposal of property, plant and equipment		337	3
Acquisition of investment in an associate		(943)	–
Net payment in non-current assets		(112)	(660)
NET CASH USED IN INVESTING ACTIVITIES		<u>(127,333)</u>	<u>(467,764)</u>
FINANCING ACTIVITIES			
Issue of shares		14,490	–
Interest paid		(17,527)	(31,035)
New bank loan raised		278,534	453,292
Repayment of obligations under finance leases		(199)	(240)
Repayment of bank loans		(315,083)	(64,989)
Repayment of convertible loan		–	(40,600)
Repayment of bank overdraft		(6,945)	(46,984)
NET CASH (USED IN) GENERATED FROM FINANCING ACTIVITIES		<u>(46,730)</u>	<u>269,444</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		7,819	(1,490)
CASH AND CASH EQUIVALENTS AT 1 APRIL		47,951	49,441
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		<u>(33)</u>	–
CASH AND CASH EQUIVALENTS AT 31 MARCH		<u>55,737</u>	<u>47,951</u>
ANALYSIS OF THE BALANCE OF CASH AND CASH EQUIVALENTS			
Cash and bank balances		<u>55,737</u>	<u>47,951</u>