

## CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st March, 2005

Notes	2005 HK\$'000	2004 HK\$'000
OPERATING ACTIVITIES		
Profit (loss) from operations	19,140	(22,236)
Adjustments for:		
Allowance for properties held for sale	–	6,006
Allowance for amount due from associate	17	–
Amortisation of intangible assets	71	–
Amortisation of goodwill	1,051	–
Interest income	(595)	(5,720)
Depreciation and amortisation of property, plant and equipment	8,836	183
Doubtful debts provided (recovered)	1,729	(20)
Loss (gain) on disposal of property, plant and equipment	66	(1,053)
Deficit arising on revaluation of investment properties	–	8,800
(Gain) loss on disposal of investments in securities	(30)	13,059
Loss on disposal of investment properties	3,217	–
Write-off of intangible assets	645	–
Unrealised holding loss (gain) on other investments	4,226	(1,640)
Release of negative goodwill	(2,224)	(747)
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Operating cash flows before movements in working capital	36,149	(3,368)
Increase in amount due from associate	(17)	–
Decrease in inventories	1,073	–
Decrease in properties held for sale	60,534	41,144
Increase in debtors, deposits and prepayments	(4,514)	(884)
Increase (decrease) in creditors and accrued charges	4,900	(5,431)
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Cash generated from operations	98,125	31,461
Overseas taxation paid	(768)	–
Interest paid	(4,261)	(16,899)
Loan arrangement fees paid	–	(1,800)
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NET CASH FROM OPERATING ACTIVITIES	93,096	12,762

**CONSOLIDATED CASH FLOW STATEMENT***For the year ended 31st March, 2005*

	Notes	2005 HK\$'000	2004 HK\$'000
<b>INVESTING ACTIVITIES</b>			
Proceeds from disposal of investment properties		4,983	–
Proceeds from disposal of investments in securities		1,903	10,376
Interest received		296	5,720
Proceeds from disposal of property, plant and equipment		476	2,850
Disposal of subsidiaries (net of cash and cash equivalents disposed of)	29	–	10
Acquisition of subsidiaries (net of cash and cash equivalents acquired)	30	(22,861)	–
Increase in loan receivables		(31,500)	–
Purchase of property, plant and equipment		(3,081)	–
Increase in pledged bank deposits		(3,000)	–
Development cost incurred		(1,467)	–
Acquisition of investments in securities		–	(5,170)
<b>NET CASH (USED IN) FROM INVESTING ACTIVITIES</b>		<b>(54,251)</b>	<b>13,786</b>
<b>FINANCING ACTIVITIES</b>			
Proceeds from issue of convertible notes		100,000	–
New bank and other borrowings raised		96,225	59,016
Proceeds from issue of shares		80,489	2,176
New loans from minority shareholders of a subsidiary		–	15,309
Repayment of bank and other borrowings		(205,596)	(143,025)
Expenses paid in connection with issue of shares		(2,623)	–
Repayment of obligations under a finance lease		(16)	–
<b>NET CASH FROM (USED IN) FINANCING ACTIVITIES</b>		<b>68,479</b>	<b>(66,524)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>107,324</b>	<b>(39,976)</b>
<b>CASH AND CASH EQUIVALENTS AT 1ST APRIL</b>		<b>80,136</b>	<b>120,112</b>
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>		<b>520</b>	<b>–</b>
<b>CASH AND CASH EQUIVALENTS AT 31ST MARCH, represented bank balances and cash</b>		<b>187,980</b>	<b>80,136</b>