

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st March, 2005

	NOTES	2005 HK\$'000	2004 HK\$'000
OPERATING ACTIVITIES			
Loss from operation		(246,380)	(171,302)
Adjustments for:			
Interest income		(106)	(624)
Depreciation and amortisation of property, plant and equipment		6,045	6,973
Amortisation of goodwill		–	5,951
Impairment loss recognised in respect of goodwill		–	29,423
Impairment loss recognised in respect of investment in securities		41,000	60,655
Impairment loss recognised in respect of property, plant and equipment		200,000	16,830
Loss on disposal of property, plant and equipment		113	138
Net realised losses on other investments		4,270	1,151
Net unrealised holding (gain) losses on other investment		(7,313)	22,972
Net written back of allowance for bad and doubtful debts		(12,110)	–
Revaluation increase on investment properties		(2,482)	(1,450)
Operating cash flow before movements in working capital		(16,963)	(29,283)
Decrease in inventories		4,319	12,751
Decrease (increase) in trade and other receivables		19,907	(25,770)
Decrease (increase) in other investments		3,109	(3,234)
(Decrease) increase in trade and other payables		(256)	12,061
Cash generated from (used in) operations		10,116	(33,475)
Overseas tax paid		(14)	(2,854)
NET CASH FROM (USED IN) OPERATING ACTIVITIES		10,102	(36,329)
INVESTING ACTIVITIES			
Refund (payment) of deposit for acquisition of subsidiaries		36,874	(36,874)
Proceeds from disposal of property, plant and equipment		3,507	1,187
Interest received		106	624
Acquisition of subsidiaries	29	(40,000)	(25,000)
Purchase of property, plant and equipment		(1,539)	(14,341)
(Advances to) repayment from associates		(9)	205
(Increase) decrease in pledged bank deposits		(7)	994
Disposal of subsidiaries	30	–	29,350
Proceeds from disposal of associates		–	7,075
Proceeds from disposal of investment securities		–	377
NET CASH USED IN INVESTING ACTIVITIES		(1,068)	(36,403)

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For the year ended 31st March, 2005

<i>NOTES</i>	2005 <i>HK\$'000</i>	2004 <i>HK\$'000</i>
FINANCING ACTIVITIES		
Proceeds from issue of convertible notes	32,400	–
New bank and other borrowings raised	26,311	142,375
Net proceeds from issue of shares	17,753	36,420
Advance from (repayment to) a minority shareholder	100	(16,971)
Repayment of bank and other borrowings	(90,510)	(97,860)
Interest paid	(7,861)	(20,272)
NET CASH (USED IN) FROM FINANCING ACTIVITIES	(21,807)	43,692
NET DECREASE IN CASH AND CASH EQUIVALENTS	(12,773)	(29,040)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	48,290	77,330
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	35,517	48,290
Cash and cash equivalents, represented by:		
Bank balances and cash	48,617	60,920
Bank overdrafts (<i>note 23</i>)	(13,100)	(12,630)
	35,517	48,290