

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st March, 2006

	2006 HK\$	2005 HK\$ (restated)
OPERATING ACTIVITIES		
Profit before taxation	61,925,018	60,631,928
Adjustments for:		
Finance costs	14,986,831	6,075,492
Share of results of associates	8,179	(1,316,539)
Share of results of jointly controlled entities	1,410	70,994
Allowance for doubtful debts	2,214,382	4,122,929
Allowance for inventories	6,255,594	–
Amortisation of development costs	–	133,709
Amortisation of prepaid lease payments	624,626	624,626
Depreciation	13,723,392	16,459,758
Interest income	(643,523)	(584,819)
Impairment loss on investment in securities	–	199,801
Reversal of impairment loss recognised in respect of other non-current assets	(561,605)	–
Increase in fair value/revaluation increase in investment properties	(16,000,000)	(27,411,840)
(Gain) loss on disposal of property, plant and equipment	(170,211)	302,021
Loss on disposal of available-for-sale investments	4,453	–
Discount on acquisition of subsidiaries	(681,524)	–
Gain on disposal of subsidiaries	(37,912,580)	–
Gain on fair value changes of investment held-for-trading	(169,289)	–
Loss on fair value changes of derivative financial instruments	1,320,498	–
Loss on derecognition of derivative financial instruments	645,446	–
Operating cash flows before movements in working capital	45,571,097	59,308,060
Increase in inventories	(32,881,473)	(28,738,173)
Increase in inventory of unsold properties	(6,193,697)	(738,522)
Increase in bills receivables	(4,422,991)	(5,418,015)
Increase in trade receivables, deposits and prepayments	(49,088,835)	(2,916,600)
Increase in trade payables and accrued expenses	56,869,077	21,902,713
Decrease in derivative financial instruments	(3,387,250)	–
Increase (decrease) in bills payables	12,116,183	(11,696,815)
Increase in deposits held in trust for sale of property under development	(35,680,238)	(33,978,471)
Increase in provision for long service payments	229,928	85,378
Decrease in amount due from a jointly controlled entity	50	23,187,109
Decrease in amount due to a jointly controlled entity	–	(803,535)
Increase in deposit received from sale of properties under development	65,691,755	49,962,104
Exchange realignment	(10,301,062)	(17,447,731)
Cash generated from operations	38,522,544	52,707,502
Hong Kong Profits Tax paid	(4,196,595)	–
Overseas tax paid	(51,950)	(39,861)
Hong Kong Profits Tax refunded	–	42,564
NET CASH GENERATED FROM OPERATING ACTIVITIES	34,273,999	52,710,205

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INVESTING ACTIVITIES		
Additions to properties under development for sale	(219,913,200)	(134,832,240)
Purchase of property, plant and equipment	(11,254,811)	(27,416,725)
Repayment from an associate	61,073,924	2,879,996
(Decrease) increase in amount due to an associate	(1,559,911)	1,576,898
Net cash inflow arising from disposal of subsidiaries	40 7,800,332	–
Proceeds from disposal of available-for sale investments	4,085,107	–
Net cash inflow arising on acquisition of subsidiaries	41 1,316,424	–
Dividend received from an associate	1,280,000	–
Proceeds from disposal of property, plant and equipment	1,259,152	50,800
Interest received	643,523	584,819
Additions to investment properties	–	(38,588,160)
Decrease in pledged deposits	–	16,161,600
Purchase of investment in securities	–	(4,129,064)
Increase in other non-current assets	–	(30,873)
NET CASH USED IN INVESTING ACTIVITIES	(155,269,460)	(183,742,949)
FINANCING		
Advance from a related party	7,556,135	–
New bank loans raised	320,266,938	206,576,077
Interest paid	(26,532,145)	(15,843,592)
Dividend paid	(5,427,937)	(5,523,631)
Repayment of bank loans	(75,915,024)	(46,333,090)
Repayment of obligations under finance leases	(3,721,954)	(2,533,165)
Repurchase of own shares	(5,265,147)	(7,035,231)
NET CASH GENERATED FROM FINANCING ACTIVITIES	210,960,866	129,307,368
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	89,965,405	(1,725,376)
CASH AND CASH EQUIVALENTS AT 1ST APRIL	28,940,736	30,636,278
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	(11,552)	29,834
CASH AND CASH EQUIVALENTS AT 31ST MARCH	118,894,589	28,940,736
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	119,157,381	28,940,736
Bank overdrafts	(262,792)	–
	118,894,589	28,940,736