

Consolidated Cash Flow Statement *for the year ended 31st March, 2005*

	2005 HK\$'000	2004 HK\$'000
OPERATING ACTIVITIES		
Profit/(loss) before taxation	24,543	(189,465)
Adjustments for:		
Interest income	(78)	(981)
Interest expenses	37,323	65,762
Allowances for arbitration	-	2,192
Allowances for amounts due from associates	-	6,070
Allowances for bad and doubtful debts	3,277	36,700
Deficit on revaluation of leasehold land and buildings	-	611
(Surplus)/deficit on revaluation of investment properties	(1,700)	6,470
Depreciation and amortisation	27	1,703
Write back of impairment loss recognised in respect of properties under development	(5,100)	(61,216)
Impairment loss recognised in respect of properties held for future development	209	11,488
Impairment loss recognised in respect of investments in securities	-	1,425
(Write back of impairment loss)/impairment loss recognised in respect of properties held for sale	(2,500)	3,010
(Gain)/loss on disposal of investment properties	(59,270)	78,089
Loss/(gain) on disposal of property, plant and equipment	62	(1,527)
Property, plant and equipment written off	-	2,824
Loss on disposal of investments in associates	-	797
(Gain)/loss on disposal of investments in subsidiaries	(2,557)	39,289
Gain on disposal of investments in securities	-	(80)
Operating cash flows before movements in working capital	(5,764)	3,161
Decrease in properties held for sale	8,315	13,389
Decrease in properties held for future development	3,007	40,255
Decrease in properties under development	114,528	13,812
Decrease in loans receivable	17,537	5,896
Increase in trade, other receivables and prepayments	(133,418)	(46,226)
Increase in amount due to a shareholder	-	4,492
Decrease in amount due to a former director	-	(7,791)
Increase/(decrease) in trade and other payables	5,555	(29,657)
Decrease in advance from an associate	-	(6,000)
Cash generated from/(used in) operations	9,760	(8,669)
Hong Kong profits tax refund	-	2,594
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	9,760	(6,075)

Consolidated Cash Flow Statement (Continued) *for the year ended 31st March, 2005*

Note	2005 HK\$'000	2004 HK\$'000
INVESTMENT ACTIVITIES		
Advances to associates	–	(1,758)
Purchase of property, plant and equipment	–	(159)
Interest received from bank deposits	78	981
Proceeds from disposal of property, plant and equipment	4,118	23,816
Repayment from advances to associates	–	10,252
Proceeds from disposal of investment properties	176,117	499,484
Proceeds from disposal of investments in securities	–	1,411
Disposal of subsidiaries (net of cash and cash equivalents disposed of)	27 15,420	1,116
NET CASH FROM INVESTING ACTIVITIES	195,733	535,143
FINANCING ACTIVITIES		
Repayment of bank and other borrowings	(188,298)	(355,293)
Interest paid	(88,203)	(56,508)
Repayment to minority shareholders	–	(901)
New bank and other borrowings raised	69,325	4,501
Increase in other creditors	–	773
NET CASH USED IN FINANCING ACTIVITIES	(207,176)	(407,428)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(1,683)	121,640
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	(2,537)	(90,097)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	1,845	(34,080)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	(2,375)	(2,537)
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	15,005	16,523
Bank overdrafts	(17,380)	(19,060)
	(2,375)	(2,537)