

## CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 March 2006

	Notes	2006 HK\$'000	2005 HK\$'000 (Restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit/(loss) before tax:			
From continuing operations		<b>10,119</b>	(65,280)
From a discontinued operation	12	–	132,177
Adjustments for:			
Finance costs	7	<b>2,369</b>	2,784
Share of profits and losses of:			
A jointly-controlled entity		<b>(55)</b>	(16)
Associates		<b>(101)</b>	(2,968)
Interest income	5	<b>(2,981)</b>	(812)
Release of discounted amount of long term receivable arising from the passage of time	5	<b>(2,318)</b>	–
Gain on disposal of long term investments		–	(3,181)
Dividend income from available-for-sale equity investment/long term investment	5	<b>(194)</b>	(177)
Loss on disposal of items of property, plant and equipment	6	<b>746</b>	2,064
Equity-settled share option expenses	6	<b>799</b>	–
Depreciation	6	<b>3,886</b>	5,228
Recognition of prepaid land lease payments	6	<b>250</b>	250
Gain on disposal of a discontinued operation	12	–	(97,753)
Gain on disposal of subsidiaries	5	<b>(1,768)</b>	–
Impairment of goodwill	6	<b>4,000</b>	12,668
Amortisation of goodwill	6	–	2,727
Provision for inventories	6	<b>905</b>	124
Provision/(write-back of provision) for doubtful debts	6	<b>(457)</b>	7,829
Provision for other receivables	6	<b>2,641</b>	7,458
Operating profit before working capital changes		<b>17,841</b>	3,122
Decrease/(increase) in completed properties held for sale		<b>(15,776)</b>	44,767
Decrease/(increase) in properties under development for sale		<b>18,929</b>	(33,796)
Increase in gross amount due from contract customers		<b>(2,568)</b>	(1,991)
Decrease/(increase) in inventories		<b>(8,744)</b>	1,473
Decrease/(increase) in accounts receivables		<b>46,695</b>	(39,603)
Increase in prepayments, deposits and other receivables		<b>(12,915)</b>	(33,905)
Increase/(decrease) in gross amount due to contract customers		<b>(11,729)</b>	5,099
Decrease in accounts payable		<b>(18,187)</b>	(13,806)
Increase/(decrease) in other payables and accruals		<b>12,924</b>	(12,403)
Decrease in provision for scheme debts		–	(1,047)
Cash generated/(used) in operations		<b>26,470</b>	(82,090)

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Year ended 31 March 2006

	<i>Notes</i>	<b>2006</b> <b>HK\$'000</b>	2005 <i>HK\$'000</i> (Restated)
Interest paid		(4,651)	(3,775)
Hong Kong profits tax refunded/(paid)		63	(2,186)
Overseas taxes paid		(2,851)	(8,931)
		19,031	(96,982)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received		2,981	812
Increase in long term deposits		(30,200)	–
Dividends received from available-for-sale equity investment/long term investment		194	177
Dividends received from associates		360	863
Purchases of items of property, plant and equipment	14	(7,587)	(12,079)
Proceeds from disposal of items of property, plant and equipment		148	92
Acquisition of subsidiaries	34(a)	–	(50,972)
Acquisition of an associate		–	(3)
Proceeds from disposal of long term investments		–	5,181
Settlement of long term receivable		48,673	–
Acquisition of additional interest in a subsidiary		(4,000)	(4,166)
Disposal of subsidiaries	34(b)	758	75,559
Disposal of partial interest in subsidiaries		–	50,998
Advance to a jointly-controlled entity		(5,032)	(6,032)
Advance to associates, net		(10,476)	(7,257)
Increase in pledged time deposits with original maturity of more than three months when acquired		(10,520)	(54,573)
		(14,701)	(1,400)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repurchase of the Company's shares	31	(10,989)	(7,090)
Share repurchase expenses	31	(130)	(112)
Exercise of warrants	31	–	22,324
New bank loans		38,400	155,073
Repayment of bank loans, trust receipt loans and other borrowings		(64,527)	(99,224)
Capital contributions by minority shareholders		–	40,160
Repayment from minority shareholders, net		104	271
Dividends paid to minority shareholders		(286)	(519)
		(37,428)	110,883

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Year ended 31 March 2006

	<i>Notes</i>	<b>2006</b> <b>HK\$'000</b>	2005 HK\$'000 (Restated)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		<b>(33,098)</b>	12,501
Cash and cash equivalents at beginning of year		<b>49,605</b>	37,104
Effect of foreign exchange rate change		<b>2,229</b>	–
CASH AND CASH EQUIVALENTS AT END OF YEAR		<b><u>18,736</u></b>	<b><u>49,605</u></b>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	27	<b>47,167</b>	60,551
Bank overdrafts, secured	29	<b>(28,431)</b>	(10,946)
		<b><u>18,736</u></b>	<b><u>49,605</u></b>