

## CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2006

	2006 HK\$'000	2005 HK\$'000 (Restated)
<b>OPERATING ACTIVITIES</b>		
Profit for the year	103,541	117,182
Adjustments for:		
Share of results of jointly controlled entities	-	(117)
Share of results of associates	(174,499)	(257,267)
Net loss on disposal and dilution of interests in subsidiaries and associates	31,596	140,150
Allowance for amounts due from associates and related companies	3,064	17,001
Allowance for debtors, deposits and prepayments	773	-
Allowance for loans receivables	3,475	-
Impairment loss on other intangible assets	1,085	-
Impairment loss on investment securities	-	9,821
Gain on disposal of investment properties	-	(1,129)
Reverse of provision of option agreement	-	(510)
Interest expenses	28,012	23,935
Income tax expenses	-	16,405
Discount on acquisition released to income arising from acquisition of		
- additional interest in subsidiaries	(2,578)	-
- interest in subsidiaries	-	(20,938)
Depreciation and amortisation of property, plant and equipment	4,440	34,333
Release of prepaid lease payments	2,214	554
(Gain) loss on disposal of property, plant and equipment	(295)	1,324
Surplus arising from revaluation of land and buildings	(2,582)	(230)
Increase in fair value of investment properties	(335)	-
Net loss on disposal of listed other investments	-	1,574
Net unrealised holding loss on listed other investments	-	7,328
Decrease in fair value of held for trading investments	1,229	-
Decrease in fair value of derivative financial instruments	460	-
Gain on disposal of gold bullion	(7,075)	-
Reverse of provision of guarantees in previous years	-	(5,483)
Operating cash flows before movements in working capital	(7,475)	83,933
Increase in property held for resale	-	(41,000)
(Increase) decrease in inventories	(22)	23
Decrease in amounts due from (to) customers for contract works, net of attributable interest expenses and depreciation and amortisation	-	23,797
(Increase) decrease in debtors, deposits and prepayments	(10,556)	72,365
Increase in margin account receivables	(10,766)	(25)
Increase in amounts due from associates	(27,662)	(25,569)
Decrease in amounts due from jointly controlled entities	-	664
Increase in amounts due from related companies	(9,677)	(7,649)
(Increase) decrease in loans receivable	(185,644)	48,286
Net increase in held for trading investments	(134,678)	-
Increase (decrease) in creditors and accrued expenses	5,077	(41,258)
Increase in margin account payables	25,048	-
Increase (decrease) in amounts due to associates	30	(94,161)
Decrease in amounts due to related companies	-	(216)
Cash (used in) generated from operations	(356,325)	19,190
Dividends received from associates	498,555	66,206
Dividends received from a jointly controlled entity	-	4,000
Overseas tax paid	-	(3,869)
Hong Kong Profits Tax refunded	-	484
Hong Kong Profits Tax paid	-	(141)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>142,230</b>	<b>85,870</b>

**CONSOLIDATED CASH FLOW STATEMENT** *(continued)*

FOR THE YEAR ENDED 31ST MARCH, 2006

	Notes	2006 HK\$'000	2005 HK\$'000 (Restated)
<b>INVESTING ACTIVITIES</b>			
Proceeds from disposal of interests in associates		448,214	–
Proceeds from disposal of gold bullion		71,757	–
Proceeds from disposal of property, plant and equipment		484	1,064
Amounts advanced to related companies		(239,000)	(23,361)
Amounts advanced to associates		(169,000)	–
Additions to available-for-sale investments		(60,506)	–
Acquisition of additional interests in associates		(55,335)	–
Additions to property, plant and equipment		(10,967)	(22,701)
Acquisition of additional interests in subsidiaries		(1,164)	–
Acquisition of other intangible assets		(325)	–
Proceeds from disposal of investment properties		–	61,129
Repayment from jointly controlled entities		–	2,000
Proceeds from disposal of investments in securities		–	1,337
Acquisition of subsidiaries, net of cash and cash equivalents acquired	42	–	(432,773)
Increase in prepaid lease payments		–	(94,633)
Disposal of subsidiaries, net of cash and cash equivalents disposed	43	–	(43,588)
Additions to properties under development		–	(28,363)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(15,842)</b>	<b>(579,889)</b>
<b>FINANCING ACTIVITIES</b>			
Net proceeds from issue of shares		150,003	–
Net increase (decrease) in bank overdrafts		13,295	(16,325)
Dividends paid		(30,755)	(6,543)
Interest paid		(25,885)	(17,751)
Repayments of other loans		(18,774)	(17,317)
Repayments of bank borrowings		(2,450)	(78,850)
Loans from a minority shareholder of a subsidiary raised		–	341,000
New bank loans raised		–	75,000
Other loans raised		–	18,774
Repayment of advances from minority shareholders of a subsidiary		–	(55,159)
Repayment of advance from a jointly controlled entity		–	(34,818)
<b>NET CASH FROM FINANCING ACTIVITIES</b>		<b>85,434</b>	<b>208,011</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>211,822</b>	<b>(286,008)</b>
<b>CASH AND CASH EQUIVALENTS BROUGHT FORWARD</b>		<b>16,032</b>	<b>303,051</b>
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>		<b>(46)</b>	<b>(1,011)</b>
<b>CASH AND CASH EQUIVALENTS CARRIED FORWARD</b>		<b>227,808</b>	<b>16,032</b>
<b>ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Bank deposits		223,230	12,814
Bank balances and cash		4,578	3,218
		<b>227,808</b>	<b>16,032</b>