

Consolidated Cash Flow Statement

For the year ended 31 March 2004

	2004 <i>HK\$'000</i>	2003 <i>HK\$'000</i>
OPERATING ACTIVITIES		
(Loss) profit before taxation	(30,269)	9,105
Adjustments for:		
Depreciation of property, plant and equipment	17,865	16,044
Amortisation of goodwill – net	103	4,135
(Surplus) deficit arising on revaluation of investment properties	(24,978)	800
Impairment loss recognised on goodwill	6,618	–
Share of results of associates	2,371	(3,559)
Loss on disposal of investment properties	–	21,000
Loss on disposal of property, plant and equipment	78	–
Interest income	(3,968)	(2,916)
Interest expenses	31,043	25,534
Liabilities waived by minority shareholders	–	(9,842)
Gain on disposal of subsidiaries	–	(77,323)
Operating cash flows before movements in working capital	(1,137)	(17,022)
(Increase) decrease in inventories	(490)	266
Decrease (increase) in trade and other receivables	258,843	(225,694)
Increase in amount due from an associate	(66,584)	(23,113)
Decrease in investments in securities	30	288
Decrease in bank trust and segregated accounts	4,868	13,348
Increase (decrease) in trade and other payables	173,540	(22,869)
Increase in amount due to an associate	–	32,075
(Decrease) increase in amount due to a related company	(80,227)	51,839
Exchange difference	–	(468)
Decrease in loan receivable	1,400	–
Cash generated from (used) in operations	290,243	(191,350)
Profits tax (paid) refunded	(410)	75
Interest received	3,968	2,916
NET CASH GENERATED FROM (USED IN) OPERATING ACTIVITIES	293,801	(188,359)

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For the year ended 31 March 2004

	Notes	2004 HK\$'000	2003 HK\$'000
INVESTING ACTIVITIES			
Acquisition of a subsidiary	32	10,981	(260,888)
Acquisition of additional interests in subsidiaries		(21,228)	(17,911)
Acquisition of additional investment in an associate		–	(43,000)
Purchase of investment properties		(42,611)	–
Purchase of property, plant and equipment		(511,220)	(189,806)
Proceeds on disposal of investment properties		–	90,000
Proceeds on disposal of property, plant and equipment		3	200
Proceeds on disposal of subsidiaries (net of bank balances on disposal)	33	–	319,395
Release of pledged bank deposit		–	17,500
Net (payment) refund of non-current assets		(660)	66
NET CASH USED IN INVESTING ACTIVITIES		(564,735)	(84,444)
FINANCING ACTIVITIES			
Expenses paid in connection with conversion issue of shares		–	(30)
Other loan raised		–	141,509
Capital contribution from minority shareholders		–	23,585
Issue of convertible loan notes		–	40,600
Interest paid		(31,035)	(24,735)
New bank loan raised		453,292	15,239
Repayment of loan from minority shareholders		–	(2,000)
Repayment of obligations under finance leases		(240)	(533)
Repayment of bank loans		(64,989)	(126,474)
Repayment of convertible loan		(40,600)	–
Increase in bank overdraft for financing purposes		(46,984)	50,539
NET CASH GENERATED FROM FINANCING ACTIVITIES		269,444	117,700
NET DECREASE IN CASH AND CASH EQUIVALENTS		(1,490)	(155,103)
CASH AND CASH EQUIVALENTS AT 1 APRIL		49,441	206,356
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		–	(1,812)
CASH AND CASH EQUIVALENTS AT 31 MARCH		47,951	49,441
ANALYSIS OF THE BALANCE OF CASH AND CASH EQUIVALENTS			
Cash and bank balances		58,494	64,852
Less: Segregated accounts		(1,221)	(2,740)
Less: Trust accounts		(9,322)	(12,671)
		47,951	49,441