CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 March 2004

OPERATING ACTIVITIES Profit/(loss) before taxation 13,359 (11,533) Adjustments for: Share of results of associates 3,042 4,425 Share of results of jointly controlled entities (209) 2,635 Interest expenses 2,492 3,186 Interest income (2,293) (587) Dividend income - (48) Deficit arising on revaluation of investment properties - 1,000 Loss on disposal of property, plant and equipment (Gain/loss on disposal of investments in securities (120) 39 Release of negative goodwill to income - (60) Amortisation of goodwill 1,406 60 Depreciation of property, plant and equipment 6,664 8,017 Gain on disposal of subsidiaries (382) (1,225) Loss on disposal of subsidiaries (382) (1,225) Loss on disposal of jointly controlled entities 447 - Allowance for amount due from a jointly controlled entity - 57 Provision for bad and doubtful debts 493 15,587	No	te	2004 HK\$'000	2003 HK\$'000
Profit/(loss) before taxation 13,359 (11,533) Adjustments for: 3,042 4,425 Share of results of associates 2,099 2,635 Interest expenses 2,492 3,186 Interest income (2,293) (587) Dividend income - (48) Deficit arising on revaluation of investment properties - 1,000 Loss on disposal of property, plant and equipment 519 154 (Gain)/loss on disposal of investments in securities (120) 39 Release of negative goodwill to income - 660 Amortisation of goodwill 1,406 60 Depreciation of property, plant and equipment 6,664 8,017 Gain on disposal of subsidiaries (382) (1,225) Loss on disposal of subsidiaries 362 67 Loss on disposal of jointly controlled entities 447 - Allowance for amount due from a jointly controlled entity - 57 Provision for bad and doubtful debts 493 15,587 Increase in flows before movements in working capital				
Adjustments for: Share of results of associates Share of results of jointly controlled entities (209) 2,635 Interest expenses 1,492 3,186 Interest expenses 1,492 3,186 Interest income (2,293) (587) Dividend income Deficit arising on revaluation of investment properties Loss on disposal of property, plant and equipment equipment (Gain)/loss on disposal of investments in securities (120) 39 Release of negative goodwill to income Amortisation of goodwill 1,406 60 Depreciation of property, plant and equipment 6,664 8,017 Gain on disposal of substidiaries (382) (1,225) Loss on disposal of associates 1,580 2,368 Loss on disposal of jointly controlled entities 447 - Allowance for amount due from a jointly controlled entity - 57 Provision for bad and doubtful debts 493 15,587 Inventory write down - 1,578 Operating cash flows before movements in working capital Increase in amounts due from customers for contract work Increase in amounts due from customers for contract work Increase in inventories (345) (1,918) Increase in amounts due to customers for contract work 9,085 (3,022) Increase in inventories (110) Increase in trade and other receivables Decrease in amounts due to customers for contract work 9,085 (3,022) Increase in trade and other payables Cash (used in)/generated from operations (20,757) 5,157 Interest paid Hong Kong profits tax paid			12.250	(11.522)
Share of results of jointly controlled entities (209) 2,635 Interest expenses 2,492 3,186 Interest income (2,293) (587) Dividend income - (48) Deficit arising on revaluation of investment properties - 1,000 Loss on disposal of property, plant and equipment 519 154 (Gain)/loss on disposal of investments in securities (120) 39 Release of negative goodwill to income - (60) Amortisation of goodwill 1,406 60 Depreciation of property, plant and equipment 6,664 8,017 Gain on disposal of subsidiaries (382) (1,225) Loss on disposal of jointly controlled entities 447 - Allowance for amount due from a jointly controlled entity - 57 Provision for bad and doubtful debts 493 15,587 Inventory write down - 1,578 Operating cash flows before movements in working capital 25,780 23,958 Increase in amounts due from customers for contract work (11,942) (25,502)	Profit/(loss) before taxation		13,359	(11,533)
Share of results of jointly controlled entities (209) 2,635 Interest expenses 2,492 3,186 Interest income (2,293) (587) Dividend income - (48) Deficit arising on revaluation of investment properties - 1,000 Loss on disposal of property, plant and equipment 519 154 (Gain)/loss on disposal of investments in securities (120) 39 Release of negative goodwill to income - (60) Amortisation of goodwill 1,406 60 Depreciation of property, plant and equipment 6,664 8,017 Gain on disposal of subsidiaries (382) (1,225) Loss on disposal of jointly controlled entities 447 - Allowance for amount due from a jointly controlled entity - 57 Provision for bad and doubtful debts 493 15,587 Inventory write down - 1,578 Operating cash flows before movements in working capital 25,780 23,958 Increase in amounts due from customers for contract work (11,942) (25,502)	Adjustments for:			
Interest expenses 2,492 3,186 Interest income (2,293) (587) Dividend income - (48) Deficit arising on revaluation of investment properties - 1,000 Loss on disposal of property, plant and equipment 519 154 (Gain)/loss on disposal of investments in securities (120) 39 Release of negative goodwill to income - (60) Amortisation of goodwill 1,406 60 Depreciation of property, plant and equipment 6,664 8,017 Gain on disposal of associates 362 673 Loss on disposal of associates 362 673 Loss on disposal of associates 447 - Allowance for amount due from a jointly controlled entity - 57 Provision for bad and doubtful debts 493 15,587 Inventory write down - 1,578 Operating cash flows before movements in working capital 25,780 23,958 Increase in amounts due from customers for contract work (11,942) (25,502) Increase in inventories (345) (1,918) Increase in trade and other receivables (128,093) (206,538) Decrease in amounts due to associates - (170) Increase in trade and other payables 84,758 218,349 Cash (used in)/generated from operations (20,757) 5,157 Interest paid (2,492) (3,186) Hong Kong profits tax paid (66) (102)			3,042	4,425
Interest income	Share of results of jointly controlled entities		(209)	2,635
Dividend income	Interest expenses		2,492	3,186
Deficit arising on revaluation of investment properties	Interest income		(2,293)	(587)
Description	Dividend income		_	(48)
Loss on disposal of property, plant and equipment 519 154	Deficit arising on revaluation of investment			
equipment 519 154 (Gain)/loss on disposal of investments in securities (120) 39 Release of negative goodwill to income – (60) Amortisation of goodwill 1,406 60 Depreciation of property, plant and equipment 6,664 8,017 Gain on disposal of subsidiaries (382) (1,225) Loss on disposal of associates 362 673 Loss on disposal of jointly controlled entities 447 – Allowance for amount due from a jointly controlled entity – 57 Provision for bad and doubtful debts 493 15,587 Inventory write down – 1,578 Operating cash flows before movements in working capital 25,780 23,958 Increase in amounts due from customers for contract work (11,942) (25,502) Increase in inventories (345) (1,918) Increase in trade and other receivables (128,093) (206,538) Decrease in amounts due to associates – (170) Increase in trade and other payables 84,758 218,349			-	1,000
Cain	Loss on disposal of property, plant and			
Release of negative goodwill - (60) Amortisation of goodwill 1,406 60 Depreciation of property, plant and equipment 6,664 8,017 Gain on disposal of subsidiaries (382) (1,225) Loss on disposal of associates 362 673 Loss on disposal of jointly controlled entities 447 - Allowance for amount due from a jointly controlled entity - 57 Provision for bad and doubtful debts 493 15,587 Inventory write down - 1,578 Operating cash flows before movements in working capital 25,780 23,958 Increase in amounts due from customers for contract work (11,942) (25,502) Increase in inventories (345) (1,918) Increase in trade and other receivables (128,093) (206,538) Decrease in amounts due to associates - (170) Increase/(decrease) in amounts due to customers for contract work 9,085 (3,022) Increase in trade and other payables 84,758 218,349 Cash (used in)/generated from operations (20,757) 5,157 Interest paid (2,492)				154
Amortisation of goodwill 1,406 60 Depreciation of property, plant and equipment 6,664 8,017 Gain on disposal of subsidiaries (382) (1,225) Loss on disposal of associates 362 673 Loss on disposal of jointly controlled entities 447 - Allowance for amount due from a jointly controlled entity - 57 Provision for bad and doubtful debts 493 15,587 Inventory write down - 1,578 Operating cash flows before movements in working capital 25,780 23,958 Increase in amounts due from customers for contract work (11,942) (25,502) Increase in inventories (345) (1,918) Increase in trade and other receivables (128,093) (206,538) Decrease in amounts due to associates - (170) Increase/(decrease) in amounts due to customers for contract work 9,085 (3,022) Increase in trade and other payables 84,758 218,349 Cash (used in)/generated from operations (20,757) 5,157 Interest paid (2,492) (3,186) Hong Kong profits tax paid (66)<			(120)	39
Depreciation of property, plant and equipment Gain on disposal of subsidiaries (382) (1,225) Loss on disposal of associates (362 673 1,225) Loss on disposal of associates (362 673 1,225) Loss on disposal of jointly controlled entities (347			-	` ′
Gain on disposal of subsidiaries (382) (1,225) Loss on disposal of associates 362 673 Loss on disposal of jointly controlled entities 447 - Allowance for amount due from a jointly controlled entity - 57 Provision for bad and doubtful debts 493 15,587 Inventory write down - 1,578 Operating cash flows before movements in working capital 25,780 23,958 Increase in amounts due from customers for contract work (11,942) (25,502) Increase in inventories (345) (1,918) Increase in trade and other receivables (128,093) (206,538) Decrease in amounts due to associates - (170) Increase/(decrease) in amounts due to customers for contract work 9,085 (3,022) Increase in trade and other payables 84,758 218,349 Cash (used in)/generated from operations (20,757) 5,157 Interest paid (2,492) (3,186) Hong Kong profits tax paid (66) (102)			ŕ	
Loss on disposal of associates Loss on disposal of jointly controlled entities Allowance for amount due from a jointly controlled entity Provision for bad and doubtful debts Inventory write down Operating cash flows before movements in working capital Operating cash flows before movements in (11,942) Operating cash flows before movements in (25,780) Operating cash flows before movements in (11,942) Operating cash flows before movements in (21,942) Increase in amounts due from customers for contract work Operating cash flows before movements in (22,492) Operating cash flows before movements in (23,588) Operating cash flows before movements in (25,580) Operating cash flows before movements in (25,580) Operating cash flows before movements in (25,580) Opera				
Loss on disposal of jointly controlled entities Allowance for amount due from a jointly controlled entity — 57 Provision for bad and doubtful debts Inventory write down — 1,578 Operating cash flows before movements in working capital Derease in amounts due from customers for contract work Increase in inventories Increase in inventories Increase in trade and other receivables Decrease in amounts due to associates — (170) Increase/(decrease) in amounts due to customers for contract work Increase in trade and other payables Cash (used in)/generated from operations Cash (used in)/generated from operations NET CASH (USED IN)/FROM OPERATING	•		, ,	
Allowance for amount due from a jointly controlled entity Provision for bad and doubtful debts Inventory write down 1,578 Operating cash flows before movements in working capital Increase in amounts due from customers for contract work Increase in inventories Increase in inventories Increase in trade and other receivables Operating cash flows before movements in working capital Increase in inventories Increase in inventories Increase in trade and other receivables Operating cash flows before movements in working capital Increase in inventories Increase in inventories Increase in trade and other receivables Operating cash flows before movements in 23,958 Increase in inventories Increase in trade and other receivables Increase in trade and other receivables Operating cash flows before movements in 23,958 Increase in trade and other receivables Increase in trade and other receivables Operating cash flows Increase in trade and other receivables Increase in trade and other receivables Operating cash flows Increase in trade and other receivables Increase in trade and other receivables Operating cash flows Increase in inventories Increase in trade and other receivables Increase in trade and other receivables Operating cash flows Increase in trade and other receivables Inc	_			6/3
Provision for bad and doubtful debts 493 15,587 Inventory write down - 1,578 Operating cash flows before movements in working capital 25,780 23,958 Increase in amounts due from customers for contract work (11,942) (25,502) Increase in inventories (345) (1,918) Increase in trade and other receivables (128,093) (206,538) Decrease in amounts due to associates - (170) Increase/(decrease) in amounts due to customers for contract work 9,085 (3,022) Increase in trade and other payables 84,758 218,349 Cash (used in)/generated from operations (20,757) 5,157 Interest paid (2,492) (3,186) Hong Kong profits tax paid (66) (102) NET CASH (USED IN)/FROM OPERATING			447	-
Inventory write down — 1,578 Operating cash flows before movements in working capital 25,780 23,958 Increase in amounts due from customers for contract work (11,942) (25,502) Increase in inventories (345) (1,918) Increase in trade and other receivables (128,093) (206,538) Decrease in amounts due to associates — (170) Increase/(decrease) in amounts due to customers for contract work 9,085 (3,022) Increase in trade and other payables 84,758 218,349 Cash (used in)/generated from operations (20,757) 5,157 Interest paid (2,492) (3,186) Hong Kong profits tax paid (66) (102)	· · · · · · · · · · · · · · · · · · ·	У	402	
Operating cash flows before movements in working capital Increase in amounts due from customers for contract work Increase in inventories Increase in trade and other receivables Decrease in amounts due to associates Decrease in amounts due to associates Customers for contract work Increase in trade and other payables Cash (used in)/generated from operations Hong Kong profits tax paid Operating 25,780 23,958 (11,942) (25,502) (1,918) (128,093) (206,538) - (170) - (17			493	
working capital 25,780 23,958 Increase in amounts due from customers for contract work (11,942) (25,502) Increase in inventories (345) (1,918) Increase in trade and other receivables (128,093) (206,538) Decrease in amounts due to associates – (170) Increase/(decrease) in amounts due to customers for contract work 9,085 (3,022) Increase in trade and other payables 84,758 218,349 Cash (used in)/generated from operations (20,757) 5,157 Interest paid (2,492) (3,186) Hong Kong profits tax paid (66) (102) NET CASH (USED IN)/FROM OPERATING	inventory write down		_	1,378
working capital 25,780 23,958 Increase in amounts due from customers for contract work (11,942) (25,502) Increase in inventories (345) (1,918) Increase in trade and other receivables (128,093) (206,538) Decrease in amounts due to associates – (170) Increase/(decrease) in amounts due to customers for contract work 9,085 (3,022) Increase in trade and other payables 84,758 218,349 Cash (used in)/generated from operations (20,757) 5,157 Interest paid (2,492) (3,186) Hong Kong profits tax paid (66) (102) NET CASH (USED IN)/FROM OPERATING	Operating cash flows before movements in			
Increase in amounts due from customers for contract work Increase in inventories Increase in inventories Increase in trade and other receivables Decrease in amounts due to associates Decrease in amounts due to associates Customers for contract work Increase in trade and other payables Cash (used in)/generated from operations Interest paid Hong Kong profits tax paid NET CASH (USED IN)/FROM OPERATING			25,780	23.958
Increase in inventories (345) (1,918) Increase in trade and other receivables (128,093) (206,538) Decrease in amounts due to associates – (170) Increase/(decrease) in amounts due to customers for contract work 9,085 (3,022) Increase in trade and other payables 84,758 218,349 Cash (used in)/generated from operations (20,757) 5,157 Interest paid (2,492) (3,186) Hong Kong profits tax paid (66) (102) NET CASH (USED IN)/FROM OPERATING				
Increase in trade and other receivables Decrease in amounts due to associates Increase/(decrease) in amounts due to customers for contract work Increase in trade and other payables Cash (used in)/generated from operations Interest paid Hong Kong profits tax paid (20,757) (20,757) (3,186) (23,186) (102) NET CASH (USED IN)/FROM OPERATING				` ' '
Increase/(decrease) in amounts due to customers for contract work Increase in trade and other payables Cash (used in)/generated from operations Interest paid Hong Kong profits tax paid NET CASH (USED IN)/FROM OPERATING (3,022) (3,022) (218,349) (20,757) (20,757) (3,186) (2,492) (3,186) (102)	Increase in trade and other receivables			
customers for contract work 9,085 (3,022) Increase in trade and other payables 84,758 218,349 Cash (used in)/generated from operations (20,757) 5,157 Interest paid (2,492) (3,186) Hong Kong profits tax paid (66) (102) NET CASH (USED IN)/FROM OPERATING	Decrease in amounts due to associates		_	(170)
Increase in trade and other payables Cash (used in)/generated from operations (20,757) Interest paid (2,492) Hong Kong profits tax paid NET CASH (USED IN)/FROM OPERATING	Increase/(decrease) in amounts due to			
Cash (used in)/generated from operations (20,757) 5,157 Interest paid (2,492) (3,186) Hong Kong profits tax paid (66) (102) NET CASH (USED IN)/FROM OPERATING	customers for contract work		9,085	(3,022)
Interest paid (2,492) (3,186) Hong Kong profits tax paid (66) (102) NET CASH (USED IN)/FROM OPERATING	Increase in trade and other payables		84,758	218,349
Interest paid (2,492) (3,186) Hong Kong profits tax paid (66) (102) NET CASH (USED IN)/FROM OPERATING	Cosh (used in)/generated from energtions		(20.757)	5 157
Hong Kong profits tax paid (66) (102) NET CASH (USED IN)/FROM OPERATING				
NET CASH (USED IN)/FROM OPERATING	*			
	Trong frong profits tax paid		(00)	(102)
	NET CASH (USED IN)/FROM OPERATING			
			(23,315)	1,869

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 March 2004

	Note	2004 HK\$'000	2003 HK\$'000
INVESTING ACTIVITIES			
Proceeds from disposal of property,			
plant and equipment		214	16,484
Proceeds from disposal of associates		541	16,000
Proceeds from disposal of investments in securities	3	664	_
Amounts repaid from associates and			
jointly controlled entities		16	10,451
Proceeds from redemption of investment in			
a convertible note		7,000	5,000
Disposal of subsidiaries	31	3,404	851
Interest received		2,293	587
Dividends received		-	48
Purchase of property, plant and equipment		(1,504)	(10,033)
Deposit made for acquisition of investment securities		_	(8,000)
Deposits made for acquisition of			
investment properties		_	(6,561)
Acquisition of additional interests in a			
subsidiary		(194)	(2,350)
Loans repaid from/(advanced to) associates			
and jointly controlled entities		2,310	(2,275)
Investment in an associate		-	(4)
Decrease in pledged bank deposits		1,475	_
Acquisition of subsidiaries			
(net of cash and cash equivalents acquired)	32	(9,483)	_
NET CASH FROM INVESTING ACTIVITIES		6,736	20,198
FINANCING ACTIVITIES			
New borrowings raised		16,661	15,000
Net proceeds from issue of shares		10,000	9,451
Proceeds from sales and lease back arrangements		_	4,268
Capital contributed by minority shareholders of subsidiaries		_	305
Repayments of loans from banks and a financial in	stitution	(46,757)	(20,383)
Repayments of obligations under finance leases		(1,580)	(1,647)
NET CASH (LISED IN)/EDOM EINANGING			
NET CASH (USED IN)/FROM FINANCING ACTIVITIES		(21,676)	6,994
ACTIVITED		(21,070)	0,774

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 March 2004

	Note	2004 HK\$'000	2003 HK\$'000
(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(38,255)	29,061
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		55,679	26,618
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		17,424	55,679
ANALYSIS OF THE BALANCE OF CASH AND CASH EQUIVALENTS Bank balances, deposits and cash		35,512	55,679
Bank overdrafts		(18,088)	55,679