

**CONSOLIDATED CASH FLOW STATEMENT**

For the year ended 31 March 2005

	NOTES	2005 HK\$'000	2004 HK\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Loss before taxation		<b>(21,527)</b>	(14,535)
Adjustments for:			
Interest income		(17)	(21)
Interest expense		305	262
Allowance for doubtful debts		30	245
Depreciation		6,489	7,037
Deficit arising on revaluation of investment properties		3,040	4,300
Impairment loss recognised in respect of property, plant and equipment		4,466	–
Loss on disposal of subsidiaries		1,094	–
Gain on disposal of property, plant and equipment		(88)	–
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Operating loss before working capital changes		<b>(6,208)</b>	(2,712)
Decrease (increase) in inventories		2	(922)
(Increase) decrease in trade and other receivables		(182)	231
Decrease in trade and other payables		(848)	(204)
Increase in emoluments payable to directors		2,550	2,550
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Net cash used in operations		<b>(4,686)</b>	(1,057)
Interest paid		(44)	(152)
Hong Kong Profits Tax refunded		–	46
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<b>NET CASH USED IN OPERATING ACTIVITIES</b>		<b>(4,730)</b>	(1,163)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Disposal of subsidiaries, net of cash and cash equivalents disposed of	24	<b>9,259</b>	–
Proceeds from disposal of property, plant and equipment		141	–
Interest received		17	21
Acquisition of property, plant and equipment		(156)	(6,514)
(Increase) decrease in pledged bank deposits		(110)	133
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<b>NET CASH FROM (USED IN) INVESTING ACTIVITIES</b>		<b>9,151</b>	(6,360)

**CONSOLIDATED** CASH FLOW STATEMENT

For the year ended 31 March 2005

NOTES	<b>2005</b> <b>HK\$'000</b>	2004 HK\$'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Advance from a related company	<b>9,615</b>	8,300
Advance from a director	<b>127</b>	–
Advance from minority shareholders	<b>17</b>	90
Repayment of bank loans	<b>(5,800)</b>	(3,000)
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NET CASH FROM FINANCING ACTIVITIES	<b>3,959</b>	5,390
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NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<b>8,380</b>	(2,133)
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CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	<b>7,098</b>	9,231
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CASH AND CASH EQUIVALENTS AT END OF THE YEAR, REPRESENTED BY BANK BALANCES AND CASH	<b>15,478</b>	7,098
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