

Consolidated Cash Flow Statement

For the year ended 31 March 2005

(Expressed in Hong Kong dollars)

	Note	2005 HK\$'000	2004 HK\$'000
Net cash used in operating activities	26	(19,884)	(26,658)
Cash flows from investing activities			
Payments to acquire fixed assets		(909)	(1,033)
Payments to acquire other investments		(1,176)	(5,885)
Acquisition of a subsidiary, net of cash acquired		–	12,002
Disposal of subsidiaries	7	1,145	(18)
Proceeds from disposal of other investments		1,216	4,720
Proceeds from disposal of fixed assets		823	1,489
Net cash generated from investing activities		1,099	11,275
Cash flows from financing activities			
Net proceeds from issue of shares		6,424	28,356
Repayment of short-term borrowings		(47,642)	–
New short-term borrowings raised		47,320	–
Repayment of hire-purchase contracts		(328)	(26)
Net cash generated from financing activities		5,774	28,330
Net (decrease)/ increase in cash and cash equivalents		(13,011)	12,947
Cash and cash equivalents brought forward		15,157	2,210
Cash and cash equivalents carried forward		2,146	15,157
Analysis of balances of cash and cash equivalents			
Cash and cash equivalents		2,146	15,157

As at 31 March 2005, the Group had cash and cash equivalents of approximately HK\$592,000 (2004: HK\$14,895,000) which are denominated in Renminbi. The remittance of these funds out of the People's Republic of China ("PRC") is subject to the exchange control restrictions imposed by the PRC government.

The accompanying notes form an integral part of these financial statements.