

# CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 March 2005

	<b>2005</b> <b>HK\$'000</b>	2004 HK\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before tax	<b>(17,812)</b>	(36,902)
Adjustments for:		
Finance costs	<b>464</b>	788
Interest income from bank	-	(24)
Gain on disposal of other investments	<b>(75)</b>	(1,500)
Depreciation	<b>979</b>	3,551
Deficit on revaluation of fixed assets	<b>800</b>	-
Amortization of goodwill	<b>2,951</b>	-
(Gain)/loss on disposal of fixed assets, net	<b>(162)</b>	270
Impairment of fixed assets	-	5,526
Provision for inventory obsolescence	-	446
Provision for bad and doubtful debts	-	1,840
Provision for impairment on investment	<b>81</b>	-
Loss on disposal of short term listed investments, net	<b>5,415</b>	20,035
Unrealised loss on short term listed investments	<b>4,454</b>	6,076
Write-back of provision for staff bonus	-	(3,109)
Write-back of provision for legal and professional cost	<b>(409)</b>	(13,000)
Write-back of provision for bad and doubtful debts	<b>(778)</b>	-
Gain on disposal of discontinued operations	-	(2,101)
Operating loss before working capital changes	<b>(4,092)</b>	(18,104)
Decrease/(increase) in loan receivables	<b>27,358</b>	(40,000)
Decrease in inventories	-	524
Decrease in prepayments, deposits and other receivables	<b>387</b>	13,828
Decrease/(increase) in trade receivables	<b>272</b>	(5,999)
Decrease in short term listed investments	<b>2,429</b>	14,504
Increase in provisions, other payables, deposits and accrued liabilities	<b>5,671</b>	9,112
Cash generated from/(used in) operations	<b>32,025</b>	(26,135)
Hong Kong profits tax refunded/(paid)	<b>445</b>	(276)
Overseas tax paid	-	(28)
	<b>32,470</b>	(26,439)
Net cash inflow/(outflow) from operating activities		
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Continuing operations	<b>32,470</b>	(17,016)
Discontinued/discontinuing operations	-	(9,423)
Total	<b>32,470</b>	(26,439)

# CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 March 2005  
(Continued)

	<i>Notes</i>	<b>2005</b> <b>HK\$'000</b>	2004 HK\$'000
Net cash inflow/(outflow) from operating activities		<b>32,470</b>	(26,439)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received		-	24
Sale proceeds of note receivables		<b>1,575</b>	-
Increase in note receivables		-	(1,500)
Deposit refunded/(paid) for acquisition of an interest in properties		<b>15,000</b>	(15,000)
Payment for properties under development		<b>(4,963)</b>	-
Purchases of fixed assets		<b>(10)</b>	(333)
Acquisition of subsidiaries	27(a)	<b>(54,907)</b>	(69,998)
Disposal of subsidiaries	27(b)	<b>2,708</b>	17,999
Proceeds from disposal of fixed assets		<b>5,080</b>	-
Proceeds from disposal of other investments		-	6,500
Net cash outflow from investing activities		<b>(35,517)</b>	(62,266)
Continuing operations		-	(42)
Discontinued/discontinuing operations		-	-
Total		<b>(35,517)</b>	(62,308)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Interest paid		<b>(464)</b>	(788)
Proceeds from issue of share capital		-	43,330
Share issue expenses		-	(869)
Capital element of finance lease rental payments		<b>(259)</b>	(68)
Net cash (outflow)/inflow from financing activities		<b>(723)</b>	41,605
Continuing operations		-	-
Discontinued/discontinuing operations		-	-
Total		<b>(723)</b>	41,605
NET DECREASE IN CASH AND CASH EQUIVALENTS		<b>(3,770)</b>	(47,142)
Cash and cash equivalents at beginning of year		<b>6,353</b>	53,495
CASH AND CASH EQUIVALENTS AT END OF YEAR		<b>2,583</b>	6,353
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances		<b>2,583</b>	6,353