

For the year ended 31 March 2006

	<i>Note</i>	2006 HK\$'000	2005 <i>HK\$'000</i>
Net cash used in operating activities	28	<u>(9,615)</u>	<u>(19,884)</u>
Cash flows from investing activities			
Payments to acquire property, plant and equipment		(12)	(909)
Deposit paid for acquisition of the Equipments		(16,440)	–
Payments to acquire investments in securities		–	(1,176)
Disposal of subsidiaries	11	–	1,145
Proceeds from disposal of property, plant and equipment		–	823
Proceeds from disposal of listed securities		–	1,216
Net cash (used in)/generated from investing activities		<u>(16,452)</u>	<u>1,099</u>
Cash flows from financing activities			
Net proceeds from issue of new shares		10,343	6,424
Net proceeds from issue of the Convertible Notes I		60,000	–
New short-term borrowings raised		19,321	47,320
Repayment of short-term borrowings		(19,231)	(47,642)
Repayment of hire-purchase contracts		–	(328)
Net cash generated from financing activities		<u>70,433</u>	<u>5,774</u>
Increase/(decrease) in cash and cash equivalents		44,366	(13,011)
Cash and cash equivalents at beginning of the year		2,146	15,157
Effect of foreign exchange rate changes		<u>690</u>	<u>–</u>
Cash and cash equivalents at end of the year		<u>47,202</u>	<u>2,146</u>
Analysis of the balances of cash and cash equivalents			
Bank balances and cash		<u>47,202</u>	<u>2,146</u>