

# CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st March 2006

	2006 HK\$'000	2005 HK\$'000
<b>OPERATING ACTIVITIES</b>		
(Loss) profit before tax	(157,347)	18,823
Adjustments for:		
Interest income	(26,454)	(32,219)
Decrease in fair value of investment properties	2,700	-
Depreciation for property, plant and equipment	365	186
Gain on changes in fair value of investments held for trading	(7,100)	-
Gain on disposal of subsidiaries	-	(50)
Impairment loss recognised in respect of loans receivable	26,247	-
Impairment loss recognised in respect of trade and other receivables	103,156	-
Impairment loss recognised in respect of available-for-sale investments	34,130	-
Interest on bank and other borrowings	1,274	-
Loss (gain) on disposal of property, plant and equipment	344	(12)
Share-based payment expense	256	-
Share of result of an associate	(400)	(494)
Unrealised loss on other investments	-	63
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Operating cash flows before movements in working capital	(22,829)	(13,703)
Increase in trade and other receivables	(203,049)	(26,491)
Decrease (increase) in loans receivable	162,450	(80,336)
Increase in investments held for trading	(43,000)	-
Increase (decrease) in other payables	3,970	(769)
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Cash used in operations	(102,458)	(121,299)
Interest paid	(1,274)	-
Interest received	26,454	32,219
Hong Kong Profits Tax paid	(1,795)	(958)
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<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<b>(79,073)</b>	<b>(90,038)</b>
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<b>INVESTING ACTIVITIES</b>		
Purchase of available-for-sale investments	(29,602)	-
Purchase of property, plant and equipment	(1,561)	(479)
Repayment from (advanced to) an associate	3,120	(3,120)
Dividend received for an associate	880	-
Proceeds from disposal of property, plant and equipment	110	111
Proceeds from disposal of an associate	14	-
Settlement of proceeds from disposal of subsidiaries in prior year	-	43,000
Refund of deposit made on acquisition of a subsidiary	-	2,342
Proceeds from disposal of subsidiaries (net of cash and cash equivalents disposed of)	-	50
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<b>NET CASH (USED IN) FROM INVESTING ACTIVITIES</b>	<b>(27,039)</b>	<b>41,904</b>
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## CONSOLIDATED CASH FLOW STATEMENT (cont'd)

For the year ended 31st March 2006

	2006 <i>HK\$'000</i>	2005 <i>HK\$'000</i>
<b>FINANCING ACTIVITIES</b>		
Proceeds from issue of shares	123,208	24,480
New short-term loans	63,129	-
Repayment of short-term loans	(51,125)	-
Expenses incurred in connection with the issues of shares	(3,203)	(762)
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<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>132,009</b>	<b>23,718</b>
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<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>25,897</b>	<b>(24,416)</b>
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGE</b>	<b>23</b>	<b>-</b>
<b>CASH AND CASH EQUIVALENTS AT 1ST APRIL</b>	<b>3,744</b>	<b>28,160</b>
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<b>CASH AND CASH EQUIVALENTS AT 31ST MARCH</b>	<b>29,664</b>	<b>3,744</b>
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Represented by:		
Bank balances and cash	30,426	3,744
Bank overdrafts	(762)	-
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	<b>29,664</b>	<b>3,744</b>
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