

Consolidated Cash Flow Statement

For the year ended 31 March 2006

	2006 <i>HK\$'000</i>	2005 <i>HK\$'000</i> (Restated)
OPERATING ACTIVITIES		
Profit (loss) before taxation	25,614	(10,005)
Adjustments for:		
Finance costs	10,774	834
Depreciation	74	122
Loss arising on fair value changes of investments held for trading	3,995	–
Net unrealised loss on investments in securities	–	6,360
Impairment loss recognised in respect of available-for-sale investments	4,125	–
Impairment loss recognised in respect of investments in securities	–	14,100
Decrease in fair value changes of investment properties	800	–
Revaluation decrease arising from revaluation of investment properties	–	600
Fair value changes and redemption of financial assets designated at fair value through profit or loss	(118)	–
Loss on redemption of convertible notes	3,334	–
Gain arising from fair value changes of derivative financial instruments	(18,515)	–
Gain on disposal of subsidiaries	–	(7,547)
Amortisation of goodwill in respect of an associate	–	115
Share of result of an associate	(36,671)	(1,763)
Operating cash flows before movements in working capital	(6,588)	2,816
(Increase) decrease in other receivables, deposits and prepayments	(4,557)	12,644
Increase in investments held for trading	(101,876)	–
Increase in investments in securities	–	(70,638)
Decrease (increase) in other payables and accrued charges	266	(601)
Increase in amounts due to directors	–	67
Net cash used in operations	(112,755)	(55,712)
Taxation arising from other jurisdictions paid	(33)	(26)
NET CASH USED IN OPERATING ACTIVITIES	(112,788)	(55,738)

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	NOTE	2006 <i>HK\$'000</i>	2005 <i>HK\$'000</i> (Restated)
INVESTING ACTIVITIES			
Proceeds from redemption of financial assets designated at fair value through profit or loss		20,000	–
Purchase of property, plant and equipment		(7)	(8)
Acquisition of a subsidiary (net of cash and cash equivalents acquired)	25	–	(60,000)
NET CASH FROM (USED IN) INVESTING ACTIVITIES		19,993	(60,008)
FINANCING ACTIVITIES			
Interest paid		(4,238)	(408)
Redemption of convertible notes		(33,750)	–
Net proceeds from issue of convertible notes		–	107,601
Net proceeds from issue of shares		–	216,489
NET CASH (USED IN) FROM FINANCING ACTIVITIES		(37,988)	323,682
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		(130,783)	207,936
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		214,429	6,493
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR, REPRESENTING BANK BALANCES AND CASH		83,646	214,429