

20 Consolidated Cash Flow Statement

For the year ended March 31, 2004

	2004 HK\$	2003 HK\$
Cash flows from operating activities		
Profit (Loss) before taxation	11,590,238	(18,218,215)
Adjustments for:		
Interest income	(688,308)	(632,074)
Interest expenses	29,974	61,113
Net unrealised and realised holding (gain) loss on other investments, listed	(15,839,658)	17,817,923
Provision for bad debts	—	50,000
Provision for amounts due from investee companies	7,171,281	2,083,400
Loss in value of investments in unlisted equity securities	200,000	2,484,000
Operating profit before working capital changes	2,463,527	3,646,147
Decrease (Increase) in accounts and other receivables	661,952	(925,855)
Increase in other investments	(2,973,421)	—
(Decrease) Increase in accruals	(70,000)	86,000
Increase in interest-bearing borrowings	1,798,782	—
Cash generated from operations	1,880,840	2,806,292
Interest paid	(29,974)	(61,113)
Interest received	688,308	632,074
<i>Net cash from operating activities</i>	<u>2,539,174</u>	<u>3,377,253</u>
Cash flows from investing activities		
Advances to investee companies	(796,281)	(5,120,000)
Net increase in investments in securities	(2,053,421)	(10,037,974)
<i>Net cash used in investing activities</i>	<u>(2,849,702)</u>	<u>(15,157,974)</u>
Cash flows from financing activities		
Proceeds from exercise of warrants	—	5,887,704
<i>Net cash from financing activities</i>	<u>—</u>	<u>5,887,704</u>
Net decrease in cash and cash equivalents	(310,528)	(5,893,017)
Cash and cash equivalents at the beginning of the year	<u>1,586,533</u>	<u>7,479,550</u>
Cash and cash equivalents at the end of the year	<u>1,276,005</u>	<u>1,586,533</u>
Bank balances and cash		