## **CONSOLIDATED** CASH FLOW STATEMENT

For the year ended 31 March 2005

CASH FLOWS FROM OPERATING ACTIVITIES  Loss before taxation  Adjustments for:  Interest income Interest expense Interest expense Interest expense Allowance for doubtful debts Depreciation Operating loss recognised in respect of property, plant and equipment For examples Indicates in trade and other payables Increase in trade and other payables Increase in emoluments payable to directors  NET CASH USED IN OPERATING ACTIVITIES  Disposal of subsidiaries, net of cash and cash equivalents disposal of property, plant and equipment  Acquisition of property.  Acquisition of pr		NOTES	2005 HK\$'000	2004 HK\$'000
Adjustments for:  Interest income Interest income Interest expense Interes	CASH FLOWS FROM OPERATING ACTIVITIES			
Interest income (17) (21) Interest expense 305 262 Allowance for doubtful debts 30 245 Depreciation 6,489 7,037 Deficit arising on revaluation of investment properties 3,040 4,300 Impairment loss recognised in respect of property, plant and equipment 4,466 — Loss on disposal of subsidiaries 1,094 — Gain on disposal of property, plant and equipment (88) —  Operating loss before working capital changes (6,208) (2,712) Decrease (increase) in inventories (182) 231 Decrease in trade and other receivables (182) 231 Decrease in trade and other payables (848) (204) Increase in emoluments payable to directors (2,550 2,550  Net cash used in operations (4,686) (1,057) Interest paid (44) (152) Hong Kong Profits Tax refunded — 46  NET CASH USED IN OPERATING ACTIVITIES Disposal of subsidiaries, net of cash and cash equivalents disposed of 24 9,259 — Proceeds from disposal of property, plant and equipment 141 — Proceeds from disposal of property, plant and equipment 141 — Interest received 17 21 Acquisition of property, plant and equipment (156) (6,514) (Increase) decrease in pledged bank deposits (110) 133	Loss before taxation		(21,527)	(14,535)
Interest expense Allowance for doubtful debts Depreciation Deficit arising on revaluation of investment properties Deficit arising on revaluation of investment properties Deficit arising on revaluation of investment properties Impairment loss recognised in respect of property, plant and equipment Loss on disposal of subsidiaries Gain on disposal of property, plant and equipment  Operating loss before working capital changes (6,208) Decrease (increase) in inventories (188) Decrease (increase) in inventories (182) Decrease in trade and other receivables (182) Decrease in trade and other payables (848) (204) Increase in emoluments payable to directors (2,550)  Net cash used in operations (4,686) Interest paid (44) Hong Kong Profits Tax refunded  CASH FLOWS FROM INVESTING ACTIVITIES Disposal of subsidiaries, net of cash and cash equivalents disposed of 24 Proceeds from disposal of property, plant and equipment Interest received Interest r	Adjustments for:			
Allowance for doubtful debts  Depreciation  Deficit arising on revaluation of investment properties  Depreciation  Deficit arising on revaluation of investment properties  Impairment loss recognised in respect of property, plant and equipment  Loss on disposal of subsidiaries  Gain on disposal of property, plant and equipment  Operating loss before working capital changes  (6,208)  (2,712)  Decrease (increase) in inventories  (88)  Decrease (increase) in inventories  (182)  231  Decrease in trade and other payables  (848)  (204)  Increase in emoluments payable to directors  (4,686)  Net cash used in operations  (4,686)  (1,057)  Interest paid  (44)  (152)  Hong Kong Profits Tax refunded  CASH FLOWS FROM INVESTING ACTIVITIES  Disposal of subsidiaries, net of cash and cash equivalents disposed of  24  9,259  Proceeds from disposal of property, plant and equipment  Interest received  17  21  Acquisition of property, plant and equipment  (156)  (6,514)  (Increase) decrease in pledged bank deposits  (100)  133	Interest income		(17)	(21)
Depreciation 6,489 7,037 Deficit arising on revaluation of investment properties 3,040 4,300 Impairment loss recognised in respect of property, plant and equipment 4,466 - Loss on disposal of subsidiaries 1,094 - Gain on disposal of property, plant and equipment (88) - Operating loss before working capital changes (6,208) (2,712) Decrease (increase) in inventories 2 (922) (Increase) decrease in trade and other receivables (182) 231 Decrease in trade and other payables (848) (204) Increase in emoluments payable to directors 2,550 2,550  Net cash used in operations (4,686) (1,057) Interest paid (44) (152) Hong Kong Profits Tax refunded - 46  NET CASH USED IN OPERATING ACTIVITIES  Disposal of subsidiaries, net of cash and cash equivalents disposed of 24 9,259 - Proceeds from disposal of property, plant and equipment 141 - Interest received 177 21  Acquisition of property, plant and equipment (156) (6,514) (Increase) decrease in pledged bank deposits (110) 133	Interest expense		305	262
Deficit arising on revaluation of investment properties Impairment loss recognised in respect of property, plant and equipment Loss on disposal of subsidiaries Gain on disposal of property, plant and equipment (88) —  Operating loss before working capital changes (6,208) (2,712) Decrease (increase) in inventories 2 (922) (Increase) decrease in trade and other receivables (I82) Decrease in trade and other payables (848) (204) Increase in emoluments payable to directors  Net cash used in operations (4,686) (1,057) Interest paid (44) (152) Hong Kong Profits Tax refunded  NET CASH USED IN OPERATING ACTIVITIES Disposal of subsidiaries, net of cash and cash equivalents disposed of Proceeds from disposal of property, plant and equipment Interest received 17 21 Acquisition of property, plant and equipment (156) (6,514) (Increase) decrease in pledged bank deposits (110) 133	Allowance for doubtful debts		30	245
Impairment loss recognised in respect of property, plant and equipment 4,466 — Loss on disposal of subsidiaries 11,094 — Gain on disposal of property, plant and equipment (88) — OPERATING ACTIVITIES Disposal of subsidiaries, net of cash and cash equivalents disposed of property, plant and equipment (156) (6,514) (Increase) decrease in pledged bank deposits (165) (110) 133	Depreciation		6,489	7,037
property, plant and equipment Loss on disposal of subsidiaries Gain on disposal of property, plant and equipment  Operating loss before working capital changes Operation of property, plant and equipment Operation department Operation of property, plant and equipment Operation department Operation of property, plant and equipment Operation of property, plant and equipment Operation department Operation departme	Deficit arising on revaluation of investment properties		3,040	4,300
Loss on disposal of subsidiaries Gain on disposal of property, plant and equipment  (88) —  Operating loss before working capital changes (6,208) (2,712) Decrease (increase) in inventories 2 (922) (Increase) decrease in trade and other receivables (182) Decrease in trade and other payables (848) (204) Increase in emoluments payable to directors  (4,686) (1,057) Interest paid (44) (152) Hong Kong Profits Tax refunded  CASH FLOWS FROM INVESTING ACTIVITIES  Disposal of subsidiaries, net of cash and cash equivalents disposed of Proceeds from disposal of property, plant and equipment Interest received Acquisition of property, plant and equipment (156) (6,514) (Increase) decrease in pledged bank deposits  (1,094 — (88) —  (888) —  (2,712)  (4,201)  (182)  (182)  (182)  (182)  (231  (484) (204)  (1,057)  (1,057)  (1,057)  (1,163)  (1,163)	Impairment loss recognised in respect of			
Gain on disposal of property, plant and equipment  (88) —  Operating loss before working capital changes  Decrease (increase) in inventories  (182) 231  Decrease in trade and other receivables  Decrease in trade and other payables  Decrease in emoluments payable to directors  Net cash used in operations  Net cash used in operations  (4,686) (1,057)  Interest paid  Hong Kong Profits Tax refunded  NET CASH USED IN OPERATING ACTIVITIES  Disposal of subsidiaries, net of cash and cash equivalents disposed of  Proceeds from disposal of property, plant and equipment  Interest received  Acquisition of property, plant and equipment  (156) (6,514)  (Increase) decrease in pledged bank deposits  (4,208) (2,712)  (182) (2,712)  (182) (2,712)  (182) (2,712)  (182) (2,712)  (1848) (204)  (1,057)  (4,686) (1,057)  (4,686) (1,057)  (4,686) (1,057)  (4,730) (1,163)	property, plant and equipment		-	-
Operating loss before working capital changes  Decrease (increase) in inventories  (182) 231  Decrease in trade and other receivables  (1848) (204)  Increase in emoluments payable to directors  Net cash used in operations  (4,686) (1,057)  Interest paid  Hong Kong Profits Tax refunded  NET CASH USED IN OPERATING ACTIVITIES  Disposal of subsidiaries, net of cash and cash equivalents disposed of  Proceeds from disposal of property, plant and equipment  Interest received  Acquisition of property, plant and equipment  (156) (6,514)  (Increase) decrease in pledged bank deposits  (182) 2,712  (182) 231  (182) 231  (1848) (204)  (1,057)  (4,686) (1,057)  (4,686) (1,057)  (4,730) (1,163)			-	-
Decrease (increase) in inventories  (Increase) decrease in trade and other receivables  (Increase) decrease in trade and other payables  (Increase in emoluments payable to directors  (Increase in emoluments payables  (Increase in pledged bank deposits)	Gain on disposal of property, plant and equipment		(88)	
Decrease (increase) in inventories  (Increase) decrease in trade and other receivables  (Increase) decrease in trade and other payables  (Increase in emoluments payable to directors  (Increase in emoluments payables  (Increase in pledged bank deposits)				
(Increase) decrease in trade and other receivables  Decrease in trade and other payables (IR2)  Decrease in trade and other payables (IR48) (I	Operating loss before working capital changes		(6,208)	(2,712)
Decrease in trade and other payables Increase in emoluments payable to directors  2,550  Net cash used in operations Interest paid Hong Kong Profits Tax refunded  NET CASH USED IN OPERATING ACTIVITIES  Disposal of subsidiaries, net of cash and cash equivalents disposed of Proceeds from disposal of property, plant and equipment Interest received Acquisition of property, plant and equipment Increase) decrease in pledged bank deposits  (848) (204) (204) (204) (2,550  2,550  (4,686) (1,057) (44) (152)  - 46  (4,730) (1,163)  (1,163)	Decrease (increase) in inventories		_	
Increase in emoluments payable to directors  2,550  2,550  Net cash used in operations  (1,057) Interest paid (44) (152) Hong Kong Profits Tax refunded  - 46  NET CASH USED IN OPERATING ACTIVITIES  Disposal of subsidiaries, net of cash and cash equivalents disposed of Proceeds from disposal of property, plant and equipment Interest received  Acquisition of property, plant and equipment (156) (6,514) (Increase) decrease in pledged bank deposits  (1,057) (1,057) (1,057) (1,057) (1,163)  (1,163)			` ,	
Net cash used in operations  Interest paid  Hong Kong Profits Tax refunded  NET CASH USED IN OPERATING ACTIVITIES  CASH FLOWS FROM INVESTING ACTIVITIES  Disposal of subsidiaries, net of cash and cash equivalents disposed of  Proceeds from disposal of property, plant and equipment Interest received  Acquisition of property, plant and equipment (Increase) decrease in pledged bank deposits  (10,057)  (4,686)  (1,057)  (44)  (1,163)			• •	` '
Interest paid Hong Kong Profits Tax refunded  ——————————————————————————————————	Increase in emoluments payable to directors		2,550	2,550
Interest paid Hong Kong Profits Tax refunded  ——————————————————————————————————				
Hong Kong Profits Tax refunded — 46  NET CASH USED IN OPERATING ACTIVITIES (4,730) (1,163)  CASH FLOWS FROM INVESTING ACTIVITIES  Disposal of subsidiaries, net of cash and cash equivalents disposed of 24 9,259 —  Proceeds from disposal of property, plant and equipment 141 — 1141 — 1141 17 21 21 1	Net cash used in operations		(4,686)	(1,057)
NET CASH USED IN OPERATING ACTIVITIES  CASH FLOWS FROM INVESTING ACTIVITIES  Disposal of subsidiaries, net of cash and cash equivalents disposed of  Proceeds from disposal of property, plant and equipment Interest received  Acquisition of property, plant and equipment (Increase) decrease in pledged bank deposits  (1,163)  (1,163)  (1,163)  (1,163)			(44)	(152)
CASH FLOWS FROM INVESTING ACTIVITIES  Disposal of subsidiaries, net of cash and cash equivalents disposed of 24 9,259 - Proceeds from disposal of property, plant and equipment 141 - Interest received 17 21 Acquisition of property, plant and equipment (156) (6,514) (Increase) decrease in pledged bank deposits (110) 133	Hong Kong Profits Tax refunded			46
CASH FLOWS FROM INVESTING ACTIVITIES  Disposal of subsidiaries, net of cash and cash equivalents disposed of 24 9,259 - Proceeds from disposal of property, plant and equipment 141 - Interest received 17 21 Acquisition of property, plant and equipment (156) (6,514) (Increase) decrease in pledged bank deposits (110) 133				
Disposal of subsidiaries, net of cash and cash equivalents disposed of  Proceeds from disposal of property, plant and equipment  Interest received  Acquisition of property, plant and equipment  (Increase) decrease in pledged bank deposits  24  9,259  - 141  - 21  (I56) (6,514)  (I10)  133	NET CASH USED IN OPERATING ACTIVITIES		(4,730)	(1,163)
Disposal of subsidiaries, net of cash and cash equivalents disposed of  Proceeds from disposal of property, plant and equipment  Interest received  Acquisition of property, plant and equipment  (Increase) decrease in pledged bank deposits  24  9,259  - 141  - 21  (I56) (6,514)  (I10)  133				
cash equivalents disposed of 24 9,259 — Proceeds from disposal of property, plant and equipment 141 — Interest received 17 21 Acquisition of property, plant and equipment (156) (6,514) (Increase) decrease in pledged bank deposits (110) 133	CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of property, plant and equipment  Interest received  Acquisition of property, plant and equipment  (Increase) decrease in pledged bank deposits  I41  -  21  (I56)  (I10)  I33				
Interest received  Acquisition of property, plant and equipment (Increase) decrease in pledged bank deposits  (I10)  I33	·	24		-
Acquisition of property, plant and equipment (Increase) decrease in pledged bank deposits (Increase) decrease in pledged bank deposits (I10)				-
(Increase) decrease in pledged bank deposits  (110)				
			-	
NET CASH FROM (USED IN) INVESTING ACTIVITIES  9,151  (6,360)	(Increase) decrease in pledged bank deposits		(110)	133
NET CASH FROM (USED IN) INVESTING ACTIVITIES  9,151 (6,360)				
	NET CASH FROM (USED IN) INVESTING ACTIVITIES		9,151	(6,360)

## **CONSOLIDATED** CASH FLOW STATEMENT

For the year ended 31 March 2005

		2005	2004
	NOTES	HK\$'000	HK\$'000
CASH FLOWS FROM FINANCING ACTIVITIES			
Advance from a related company		9,615	8,300
Advance from a director		127	_
Advance from minority shareholders		17	90
Repayment of bank loans		(5,800)	(3,000)
NET CASH FROM FINANCING ACTIVITIES		3,959	5,390
NET INCREASE (DECREASE) IN CASH AND			
CASH EQUIVALENTS		8,380	(2,133)
CASH AND CASH EQUIVALENTS AT			
BEGINNING OF THE YEAR		7,098	9,231
CASH AND CASH EQUIVALENTS AT END			
OF THE YEAR, REPRESENTED BY BANK			
BALANCES AND CASH		15,478	7,098