

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st July, 2005

	NOTES	2005 HK\$'000	2004 HK\$'000
OPERATING ACTIVITIES			
Profit (loss) from operations		6,888	(1,507)
Adjustments for:			
Amortisation of goodwill		226	494
Allowance for bad and doubtful debts		40	—
Interest income		(993)	(1,529)
Surplus on revaluation of investment properties		(8,860)	(1,615)
Depreciation		87	38
Loss on disposal of property, plant and equipment		—	2
(Gain) loss on disposal of investment properties		(1,383)	620
Reversal of allowance for properties held for sale		(487)	(3,954)
Unrealised holding (gain) loss on trading securities		(4,958)	739
Unrealised holding loss on derivatives		854	—
Operating cash flows before movements in working capital		(8,586)	(6,712)
Decrease (increase) in properties held for sale		8,685	(8,685)
(Increase) decrease in trade and other receivables		(3,395)	6,935
Decrease in inventories		—	371
Increase in trading securities		(10,704)	(7,179)
Increase (decrease) in trade and other payables		3,174	(1,898)
Cash used in operations		(10,826)	(17,168)
Hong Kong Profits Tax paid		(132)	—
NET CASH USED IN OPERATING ACTIVITIES		(10,958)	(17,168)
INVESTING ACTIVITIES			
Proceeds from repayment of promissory note receivables		12,000	—
Proceeds from disposal of investment properties		2,863	4,380
Interest received		993	1,529
Net cash inflow from disposal of interests in subsidiaries	29	—	2,793
Purchase of property, plant and equipment		(382)	(68)
Purchase of other securities		(8,932)	—
Deposits paid for options		(739)	—
Acquisition of subsidiaries	28	—	(5,899)
NET CASH FROM INVESTING ACTIVITIES		5,803	2,735

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FINANCING ACTIVITIES		
Proceeds from issue of convertible notes	36,400	8,000
Proceeds from issue of shares	17,225	18,760
Repayment of bank loans	(1,531)	(5,097)
Interest paid	(398)	(577)
Expenses paid in connection with the issue of shares	(457)	(446)
Repayment of promissory note payables	—	(3,051)
NET CASH FROM FINANCING ACTIVITIES	51,239	17,589
INCREASE IN CASH AND CASH EQUIVALENTS	46,084	3,156
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	24,003	20,847
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	70,087	24,003
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	70,571	24,269
Bank overdrafts	(484)	(266)
	70,087	24,003