

# Consolidated Cash Flow Statement

FOR THE YEAR ENDED 31ST DECEMBER, 2003

	Note	2003 HK\$	2002 HK\$
<b>Operating activities</b>			
<b>Cash (used in)/generated from operations</b>	26	(13,023,891)	34,534,068
Interest paid		(2,941,263)	(2,694,000)
Hong Kong profits tax refunded/(paid)		475,781	(864,228)
<b>Net cash (used in)/from operating activities</b>		<b>(15,489,373)</b>	<b>30,975,840</b>
<b>Investing activities</b>			
Purchase of convertible bonds		(10,000,000)	–
Purchase of fixed assets		–	(528,200)
Purchase of investment securities		(1,470,000)	(40,903,278)
Acquisition of interests in associates		–	(4,402,500)
Repayment from investee companies		12,100,000	–
Advance to investee companies		(2,752,248)	–
Repayment of loan from an associate		50,000	–
Loans to associates		(2,010,000)	(8,950,942)
Final distribution from liquidation of an associate		–	157,653
Payment for acquisition of a subsidiary		(2)	–
Proceeds on disposal of fixed asset		15,000	–
Proceeds on sale of investment securities		–	4,444,420
Interest received		3,094,129	217,462
Dividend received from investment securities		3,275,000	2,125,000
<b>Net cash from/(used in) investing activities</b>		<b>2,301,879</b>	<b>(47,840,385)</b>
<b>Financing activities</b>			
Exercise of warrants		–	93,463
Repayment of convertible bonds		(5,000,000)	–
Proceeds from issue of share capital		27,945,994	–
<b>Net cash from financing activities</b>		<b>22,945,994</b>	<b>93,463</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>9,758,500</b>	<b>(16,771,082)</b>
<b>Cash and cash equivalents at 1st January</b>		<b>4,519,746</b>	<b>21,290,828</b>
<b>Cash and cash equivalents at 31st December</b>		<b>14,278,246</b>	<b>4,519,746</b>
Analysis of the balances of cash and cash equivalents:			
Bank balances and cash		14,278,246	4,625,947
Bank overdrafts		–	(106,201)
		<b>14,278,246</b>	<b>4,519,746</b>

The notes on pages 21 to 61 form an integral part of these financial statements.