

Consolidated Cash Flow Statement

For the year ended 31st December, 2004

	Notes	2004 HK\$'000	2003 HK\$'000
OPERATING ACTIVITIES			
Profit before tax		65,974	42,761
Adjustments for:			
Interest income		(4,840)	(3,291)
Bad debts written off		627	-
Dividend income		-	(48)
Depreciation of property, plant and equipment		414	2,350
Amortisation of goodwill		4,147	2,521
Amortisation of intangible assets		2,225	1,970
Gain on disposal of property, plant and equipment		-	(870)
(Gain) loss on disposals of subsidiaries		(30,704)	1,820
Release of reserves upon disposal of an associate		-	(6,566)
Realised loss on investments in securities		591	-
Unrealised holding gain on investments in securities		(513)	(2,914)
Allowances for bad and doubtful debts		1,240	2,721
		39,161	40,454
Operating cash flows before movements in working capital			
Increase in inventories		-	(4,919)
Increase in trade receivables		(12,761)	(12,093)
(Increase) decrease in other receivables and prepayments		(2,963)	351
Decrease (increase) in amounts due from related companies		683	(6,387)
(Decrease) increase in trade payables		(1,814)	3,301
Increase in other payables and accruals		5,335	1,280
Decrease in amounts due to related companies		(1,234)	(4,312)
		26,407	17,675
Cash from operations			
Overseas tax paid		(3,404)	(1,393)
		23,003	16,282
NET CASH FROM OPERATING ACTIVITIES			
INVESTING ACTIVITIES			
Decrease (increase) in receivable from securities brokers		76,073	(76,073)
Interest received		4,840	3,291
Proceeds from disposal of investments in securities		3,397	21,581
Proceeds from disposals of subsidiaries	21	943	15,370
Acquisitions of subsidiaries	22	(34,777)	-
Purchase of intangible assets		(8,490)	-
Purchase of property, plant and equipment		(652)	(1,454)
Purchase of investments in securities		-	(11,671)
Proceeds from disposal of property, plant and equipment		-	11,918
Decrease in pledged deposits		-	2,000
Dividend received		-	48
		41,334	(34,990)
NET CASH FROM (USED IN) INVESTING ACTIVITIES			

Consolidated Cash Flow Statement

For the year ended 31st December, 2004

	2004 HK\$'000	2003 HK\$'000
FINANCING ACTIVITIES		
Increase in amounts due from related companies	(9,744)	-
Proceeds from issue of share capital	493	36,568
Decrease in trust receipt loans, secured	-	(85)
Dividend paid to minority shareholders	-	(7,977)
Repayments of convertible notes	-	(6,960)
Share issue expenses	-	(1,342)
	<hr/>	<hr/>
NET CASH (USED IN) FROM FINANCING ACTIVITIES	(9,251)	20,204
	<hr/>	<hr/>
NET INCREASE IN CASH AND CASH EQUIVALENTS	55,086	1,496
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	47,437	45,915
NET EFFECT OF FOREIGN EXCHANGE RATE CHANGES	-	26
	<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represents by bank balances and cash	102,523	47,437
	<hr/> <hr/>	<hr/> <hr/>