

Consolidated Cash Flow Statement

For the year ended 31st December 2004

Operating activities (28,435,675) (1,386,612) Loss before taxation (28,435,675) (1,386,612) Adjustments for: Depreciation on property, plant and equipment 114,527 98,891 Net unrealised holding gain on investments in listed securities 37,961,905 — Interest expenses 37,961,905 — Impairment loss on goodwill 5217,058 — Loss on disposal of property, plant and equipment 107,782 — Interest expenses 205,757 130,468 Interest income (105,619) (550,603) Dividend income from investments in securities (1,048,737) (1,087,068) Operating cash flows before movements in working capital (11,190,139) (16,129,289) (Increase)/decrease in investments in debt securities/securities (4,002,248) 11,141,884 Decrease in accounts receivable, deposit and prepayment 856,897 246,784 Decrease in creditors and accrued expenses (5,290,776) (88,779) Net cash used in operating activities (20,322,6266) (4,829,400) Interest received 278,223 378,000		2004 <i>HK</i> \$	2003 <i>HK</i> \$
Loss before taxation (28,435,675) (1,386,612) Adjustments for: Depreciation on property, plant and equipment 114,527 98,891 Net unrealised holding gain on investments in listed securities (25,207,137) (13,334,365) Net unrealised holding loss on investments in unlisted securities 37,961,905 — Impairment loss on goodwill 5,217,058 — Loss on disposal of property, plant and equipment 107,782 — Interest expenses 205,757 130,468 Interest income (105,619) (550,603) Dividend income from investments in securities (1,048,737) (1,087,068) Operating cash flows before movements in working capital (Increase)/decrease in investments in debt securities/securities (4,602,248) 11,141,884 Decrease in accounts receivable, deposit and prepayment 856,897 246,784 Decrease in creditors and accrued expenses (5,290,776) (88,779) Net cash used in operations (20,225,626) (4,829,400) Interest paid 200,257,71 (130,468) Investing activities 1,200,302 1,449,570 Proceeds on	Operating activities		
Adjustments for: Depreciation on property, plant and equipment 114,527 98,891 Net unrealised holding gain on investments in listed securities (25,207,137) (13,334,365) Net unrealised holding loss on investments in unlisted securities 37,961,905 -		(28.435.675)	(1 386 612)
Depreciation on property, plant and equipment 114,527 98,891 Net unrealised holding gain on investments in listed securities (25,207,137) (13,334,365) Net unrealised holding loss on investments in unlisted securities 37,961,905 — Impairment loss on goodwill 5,217,058 — Loss on disposal of property, plant and equipment 107,782 — Interest expenses 205,757 130,468 Interest income (105,619) (550,603) Dividend income from investments in securities (1,048,737) (1,087,068) Operating cash flows before movements in working capital (Increase)/decrease in investments in debt securities/securities (1,190,139) (16,129,289) Uncrease in accounts receivable, deposit and prepayment 856,897 246,784 Decrease in accounts receivable, deposit and prepayment 856,897 246,784 Decrease in creditors and accrued expenses (5,290,776) (88,779) Net cash used in operating activities (20,225,266) (4,829,400) Interest paid (20,225,266) (4,829,400) Dividend received from investments in securities 1,200,302 1,449,570 <td></td> <td>(20) 100/070/</td> <td>(1,300,012)</td>		(20) 100/070/	(1,300,012)
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Interest paid(205,757)(130,468)Net cash used in operating activities(20,432,023)(4,959,868)Investing activities278,223378,000Dividend received from investments in securities1,200,3021,449,570Purchase of investment in securities(47,200,000)-Proceeds on disposal of debt securities19,017,640-Proceeds on disposal of property, plant and equipment200,000-Acquisition of a subsidiary(2,000,000)-Purchase of property, plant and equipment(473,664)(405,386)Net cash (used in) from investing activities(28,977,499)1,422,184Financing activities49,647,600-Share capital issued49,647,600-Repurchase of shares-(1,358,577)Increase in borrowings-5,142,164Net cash from financing activities49,647,6003,783,587Net increase in cash and cash equivalents238,078245,903Cash and cash equivalents at beginning of the year274,39028,487	Decrease in creditors and accrued expenses	(5,290,776)	(88,779)
Net cash used in operating activities(20,432,023)(4,959,868)Investing activities278,223378,000Interest received from investments in securities1,200,3021,449,570Purchase of investment in securities(47,200,000)-Proceeds on disposal of debt securities19,017,640-Proceeds on disposal of property, plant and equipment200,000-Acquisition of a subsidiary(2,000,000)-Purchase of property, plant and equipment(473,664)(405,386)Net cash (used in) from investing activities(28,977,499)1,422,184Financing activities49,647,600-Repurchase of shares-(1,358,577)Increase in borrowings-5,142,164Net cash from financing activities49,647,6003,783,587Net increase in cash and cash equivalents238,078245,903Cash and cash equivalents at beginning of the year274,39028,487	Net cash used in operations	(20,226,266)	(4,829,400)
Interest received Interest received from investments in securities Dividend received from investments in securities Purchase of investment in securities Proceeds on disposal of debt securities Proceeds on disposal of property, plant and equipment Acquisition of a subsidiary Purchase of property, plant and equipment Acquisition of a subsidiary Purchase of property, plant and equipment Acquisition of a subsidiary Purchase of property, plant and equipment Net cash (used in) from investing activities Financing activities Share capital issued A9,647,600 Repurchase of shares Increase in borrowings A9,647,600 A1,358,577) A1,358,577) A1,358,577 A2,164 Net cash from financing activities A9,647,600 A9,	Interest paid	(205,757)	(130,468)
Interest received278,223378,000Dividend received from investments in securities1,200,3021,449,570Purchase of investment in securities(47,200,000)-Proceeds on disposal of debt securities19,017,640-Proceeds on disposal of property, plant and equipment200,000-Acquisition of a subsidiary(2,000,000)-Purchase of property, plant and equipment(473,664)(405,386)Net cash (used in) from investing activities(28,977,499)1,422,184Financing activities49,647,600-Repurchase of shares-(1,358,577)Increase in borrowings-5,142,164Net cash from financing activities49,647,6003,783,587Net increase in cash and cash equivalents238,078245,903Cash and cash equivalents at beginning of the year274,39028,487	Net cash used in operating activities	(20,432,023)	(4,959,868)
Dividend received from investments in securities Purchase of investment in securities Proceeds on disposal of debt securities Proceeds on disposal of property, plant and equipment Acquisition of a subsidiary Purchase of property, plant and equipment Acquisition of a subsidiary Purchase of property, plant and equipment Wet cash (used in) from investing activities Financing activities Share capital issued Repurchase of shares Increase in borrowings Net cash from financing activities Net cash from financing activities Net increase in cash and cash equivalents Cash and cash equivalents at beginning of the year 1,200,302 (47,200,000) - (20,000,000) - (20,000,000) - (20,000,000) - (28,977,499) 1,422,184 (405,386) - (1,358,577) - (1,3	Investing activities		
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Proceeds on disposal of debt securities Proceeds on disposal of property, plant and equipment Acquisition of a subsidiary Purchase of property, plant and equipment Net cash (used in) from investing activities Financing activities Share capital issued Repurchase of shares Increase in borrowings Net cash from financing activities Net increase in cash and cash equivalents Cash and cash equivalents at beginning of the year 19,017,640 -200,000 -4(2,000,000) -4(473,664) (405,386) 49,647,600 -4(495,386) -4		1,200,302	1,449,570
Proceeds on disposal of property, plant and equipment Acquisition of a subsidiary Purchase of property, plant and equipment Net cash (used in) from investing activities Financing activities Share capital issued Repurchase of shares Increase in borrowings Net cash from financing activities Net cash from financing activities Net increase in cash and cash equivalents Cash and cash equivalents at beginning of the year 200,000 - (2,000,000) - (473,664) (405,386) 49,647,600 - (1,358,577) - (1,358,577	Purchase of investment in securities	(47,200,000)	_
Acquisition of a subsidiary Purchase of property, plant and equipment Net cash (used in) from investing activities Financing activities Share capital issued Repurchase of shares Increase in borrowings Net cash from financing activities Net increase in cash and cash equivalents Cash and cash equivalents at beginning of the year (2,000,000) (473,664) (405,386) A9,647,600 - (1,422,184) 49,647,600 - (1,358,577) -	Proceeds on disposal of debt securities	19,017,640	_
Purchase of property, plant and equipment (473,664) (405,386) Net cash (used in) from investing activities (28,977,499) 1,422,184 Financing activities Share capital issued 49,647,600 - Repurchase of shares - (1,358,577) Increase in borrowings - 5,142,164 Net cash from financing activities 49,647,600 3,783,587 Net increase in cash and cash equivalents 238,078 245,903 Cash and cash equivalents at beginning of the year 274,390 28,487	Proceeds on disposal of property, plant and equipment	200,000	_
Net cash (used in) from investing activities Financing activities Share capital issued Repurchase of shares Increase in borrowings Net cash from financing activities Net increase in cash and cash equivalents Cash and cash equivalents at beginning of the year (28,977,499) 1,422,184 49,647,600 - (1,358,577) 49,647,600 3,783,587 245,903 245,903 28,487	Acquisition of a subsidiary	(2,000,000)	_
Financing activities Share capital issued Repurchase of shares Increase in borrowings Net cash from financing activities Net increase in cash and cash equivalents Cash and cash equivalents at beginning of the year 49,647,600 - (1,358,577) - (1,358,577	Purchase of property, plant and equipment	(473,664)	(405,386)
Share capital issued Repurchase of shares Increase in borrowings Net cash from financing activities Net increase in cash and cash equivalents Cash and cash equivalents at beginning of the year 49,647,600 3,783,587 238,078 245,903 28,487	Net cash (used in) from investing activities	(28,977,499)	1,422,184
Repurchase of shares Increase in borrowings - (1,358,577) Net cash from financing activities - 5,142,164 Net increase in cash and cash equivalents Cash and cash equivalents at beginning of the year - (1,358,577) - (1,358,577			
Increase in borrowings–5,142,164Net cash from financing activities49,647,6003,783,587Net increase in cash and cash equivalents238,078245,903Cash and cash equivalents at beginning of the year274,39028,487	·	49,647,600	_
Net cash from financing activities49,647,6003,783,587Net increase in cash and cash equivalents238,078245,903Cash and cash equivalents at beginning of the year274,39028,487	·	-	
Net increase in cash and cash equivalents Cash and cash equivalents at beginning of the year 238,078 245,903 28,487	Increase in borrowings		5,142,164
Cash and cash equivalents at beginning of the year 274,390 28,487	Net cash from financing activities	49,647,600	3,783,587
	Net increase in cash and cash equivalents	238,078	245,903
Cash and cash equivalents at end of the year 512,468 274,390	Cash and cash equivalents at beginning of the year	274,390	28,487
	Cash and cash equivalents at end of the year	512,468	274,390