

# Consolidated Cash Flow Statement

Period from 1 December 2003 to 31 December 2004

	From <b>1 December 2003</b> to <b>31 December 2004</b> <i>HK\$'000</i>	From 1 December 2002 to 30 November 2003 <i>HK\$'000</i>
<i>Notes</i>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	<b>24,794</b>	15,590
Adjustments for:		
Gain on disposal of subsidiaries	—	(18,397)
Share of loss in jointly-controlled entities	<b>12</b>	—
Dividend income from listed securities	<b>(1,498)</b>	(397)
Interest income	—	(69)
Unrealised holding gains on trading securities	<b>(7,622)</b>	(5,754)
Write back of provision for other receivables	—	(1,500)
Depreciation	<b>516</b>	328
Provision for other receivables	—	1,051
Amortisation of goodwill	<b>107</b>	—
Finance costs	<b>249</b>	2,362
Operating cash flow before working capital changes	<b>16,558</b>	(6,786)
Increase in short term investments	<b>(43,076)</b>	(12,673)
Increase in inventories	<b>(148,883)</b>	—
Decrease in rental and other deposits	—	191
Decrease in trade and other receivables	<b>17,649</b>	868
Increase in amount due from a jointly-controlled entity	<b>(260)</b>	(1,910)
Increase in other payables	<b>9,409</b>	182
Cash used in operations	<b>(148,603)</b>	(20,128)
Interest received	—	69
Interest paid	<b>(82)</b>	(124)
Interest element on finance lease rental payments	—	(1)
Dividends from listed securities	<b>1,323</b>	217
Tax paid	<b>(106)</b>	—
Net cash outflow from operating activities	<b>(147,468)</b>	(19,967)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of fixed assets	<b>(38)</b>	(6)
Acquisition of subsidiaries	<b>(308,148)</b>	—
Disposal of subsidiaries	—	(43)
Advances to jointly-controlled entities	<b>(167,131)</b>	—
Net cash used in investing activities	<b>(475,317)</b>	(49)

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<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Issue of capital for cash, net of payment of related expenses	<b>295,038</b>	—
Loans advanced from ultimate holding company	<b>329,320</b>	—
Repayments of loans to ultimate holding company	<b>(136,441)</b>	—
Proceeds from bank loans	<b>100,000</b>	—
Repayments of bank loans	<b>(200)</b>	—
Loans advanced from minority shareholders	<b>32,029</b>	—
Repayments of loans to minority shareholders	<b>(10,290)</b>	—
Capital element of finance lease rental payments	<b>—</b>	(68)
Net cash generated from/(used in) from financing activities	<b>609,456</b>	(68)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(13,329)</b>	(20,084)
Cash and cash equivalents at beginning of the period	<b>22,602</b>	42,686
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>9,273</b>	22,602
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	<b>9,273</b>	22,602