

# Consolidated Cash Flow Statement

FOR THE YEAR ENDED 31ST DECEMBER, 2004

	Note	2004 HK\$	2003 HK\$
<b>Operating activities</b>			
Cash generated from/(used in) operations	26	14,815,167	(13,023,891)
Interest paid		(3,679,972)	(2,941,263)
Hong Kong profits tax refunded		31,062	475,781
<b>Net cash from/(used in) operating activities</b>		<b>11,166,257</b>	<b>(15,489,373)</b>
<b>Investing activities</b>			
Purchase of convertible bonds		(899,037)	(10,000,000)
Purchase of fixed assets		(533,993)	–
Purchase of investment securities		(4,805,060)	(1,470,000)
Repayment from investee companies		2,600,000	12,100,000
Advance to investee companies		(4,263,273)	(2,752,248)
Repayment of loan from an associate		–	50,000
Loans to associates		(1,000,000)	(2,010,000)
Payment for acquisition of a subsidiary		–	(2)
Proceeds on disposal of fixed assets		–	15,000
Proceeds on sale of investment securities		8,300,000	–
Interest received		5,326,462	3,094,129
Dividend received from investment securities		750,000	3,275,000
<b>Net cash from investing activities</b>		<b>5,475,099</b>	<b>2,301,879</b>
<b>Financing activities</b>			
Repayment of instalment loan		(8,000,000)	–
Repayment of convertible bonds		(7,000,000)	(5,000,000)
Proceeds from issue of share capital		3,846	27,945,994
<b>Net cash (used in)/from financing activities</b>		<b>(14,996,154)</b>	<b>22,945,994</b>
<b>Net increase in cash and cash equivalents</b>		<b>1,645,202</b>	<b>9,758,500</b>
<b>Cash and cash equivalents at 1st January</b>		<b>14,278,246</b>	<b>4,519,746</b>
<b>Cash and cash equivalents at 31st December</b>		<b>15,923,448</b>	<b>14,278,246</b>
Analysis of the balances of cash and cash equivalents:			
Bank balances and cash		15,923,448	14,278,246

The notes on pages 20 to 65 form an integral part of these financial statements.