

Consolidated Cash Flow Statement

For the year ended 31 December 2004

	2004 HK\$'000	2003 HK\$'000 (restated)
OPERATING ACTIVITIES		
Profit from operations	203,931	161,509
Adjustments for:		
Interest income	(20,179)	(10,103)
Dividend income	(10,927)	(6,662)
Depreciation and amortisation of property, plant and equipment	1,086	1,461
Impairment loss recognised in respect of other non-current assets	–	124
Loss on disposal of property, plant and equipment	41	398
Net realised and unrealised gain on investments	(60,519)	(123,771)
Discount on early redemption of loan note	1,500	–
Impairment loss recognised in respect of trading investment	–	2,409
Revaluation (increase) decrease of investment properties	(5,540)	1,060
Revaluation (increase) decrease of leasehold land and buildings	(1,704)	68
Operating cash flow before movements in working capital	107,689	26,493
(Increase) decrease in inventories	(4,487)	3,503
(Increase) decrease in trading investments	(192,153)	67,836
Decrease (increase) in debtors, deposits and prepayments	12,530	(23,661)
Increase in loan receivables	(77,191)	(20,827)
Increase in creditors and accrued charges	23,993	419
Decrease in customers' deposits and receipts in advance	(3,716)	(39,801)
Cash (used in) from operating activities	(133,335)	13,962
Interest paid	(530)	(545)
Dividends paid	(17,876)	(3,715)
Tax paid	(112)	(171)
NET CASH (USED IN) FROM OPERATING ACTIVITIES	(151,853)	9,531

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For the year ended 31 December 2004

	NOTE	2004 HK\$'000	2003 HK\$'000 (restated)
INVESTING ACTIVITIES			
Net proceeds from disposal of other investments		98,500	63,835
Interest received		20,179	10,103
Dividend received		10,927	6,662
Proceeds from disposal of property, plant and equipment		9	13
Decrease (increase) in pledged bank deposits		11,806	(19,421)
Purchase of other investments		(7,779)	(14,485)
Net cash outflow from disposal of subsidiaries	26	–	(800)
Purchase of property, plant and equipment		(467)	(277)
NET CASH FROM INVESTING ACTIVITIES		133,175	45,630
FINANCING ACTIVITIES			
New loan from a related company		271,775	–
Repayment of loan from a related company		(271,775)	–
Repurchase of shares		(83,655)	–
New bank loans raised		–	170,067
Proceeds from exercise of warrants		–	77
Repayment of bank loans		–	(170,067)
NET CASH (USED IN) FROM FINANCING ACTIVITIES		(83,655)	77
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		(102,333)	55,238
EFFECT OF CHANGES IN FOREIGN EXCHANGE RATE		(2)	(2,174)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		134,600	81,536
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank balances and cash		32,265	134,600