

Consolidated Cash Flow Statement

For the year ended December 31, 2004

	2004	2003
	HK\$'000	HK\$'000
Operating activities		
Loss before tax	(28,601)	(82,632)
Adjustments for:		
Share of results of associates	19,743	22,220
Dividend income from listed shares	–	(1)
Interest income	(48)	(592)
Interest expenses	7,336	9,631
Finance lease charges	8	5
Depreciation	6,773	7,891
Amortisation of goodwill	407	–
Loss on disposal of investment properties	–	8,526
Loss/(Gain) on disposal of property, plant and equipment	558	(152)
Unrealised holding gain of other investments	(1)	(27)
(Rreverse of write-down)/Write-down of properties held for sale to net realisable value	(2,207)	18,911
Net deficit on revaluation of investment properties	1,594	–
Net loss on disposal or liquidation of subsidiaries	1,745	726
Exchange loss/(gain) on loan advanced from a supplier	214	(607)
Operating cash flows before movements in working capital	7,521	(16,101)
Decrease/(Increase) in inventories	22,110	(10,693)
Decrease in properties held for sale	23,246	2,281
Increase in trade and other receivables	(7,674)	(6,993)
Increase in amounts due from associates	(8,188)	(423)
Decrease in amounts due from related parties	2,085	245
Increase in trade and other payables	21,752	5,518
Increase/(Decrease) in bills payable	4,932	(8,765)
(Decrease)/Increase in amounts due to Directors	(1,619)	2,225
(Decrease)/Increase in amounts due to related companies	(429)	3,747
Cash generated from/(used in) operations	63,736	(28,959)
Hong Kong Profits Tax (paid)/refunded	(132)	802
Overseas tax paid	(33)	(110)
	(165)	692
Net cash generated from/(used in) operating activities	63,571	(28,267)

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	Notes	2004 HK\$'000	2003 HK\$'000
Investing activities			
Purchase of investment properties		-	(1,100)
Purchase of property, plant and equipment		(2,584)	(2,429)
Proceeds from disposal of property, plant and equipment		548	1,033
Proceeds from disposal of investment properties		-	7,670
Dividend received from listed shares		-	1
Proceeds from disposal of subsidiaries	35	7,762	2,207
Interest received		228	487
Increase in shareholding of a subsidiary		(2,287)	-
Investment in an associate		(7,025)	-
Net cash (used in)/generated from investing activities		(3,358)	7,869
Financing activities			
Proceeds from issue of shares		-	14,461
New loans advanced from Directors		-	3,000
New bank loans		216,951	160,786
New obligation of finance leases		540	-
Repayment of bank loans		(261,043)	(149,353)
Repayment of loans advanced from related companies		-	(280)
Increase in share capital of a subsidiary contributed by minority shareholders		16	-
Interest paid		(4,097)	(7,690)
Repayment of obligations under finance leases		(49)	(389)
Finance lease charges paid		(8)	(5)
Net cash (used in)/generated from financing activities		(47,690)	20,530
Net increase in cash and cash equivalents		12,523	132
Cash and cash equivalents at January 1		1,796	1,610
Effect of foreign currency exchange rate changes		(624)	54
Cash and cash equivalents at December 31		13,695	1,796
Analysis of the balances of cash and cash equivalents			
Being:			
Bank balances and cash		15,952	16,093
Bank overdrafts		(2,257)	(14,297)
		13,695	1,796

The accompanying notes on pages 35 to 92 form an integral part of these financial statements.

