

Consolidated Cash Flow Statement

For the year ended 31 December 2004

	2004 HK\$'000	2003 HK\$'000
Cash flows from operating activities		
Loss before taxation	(256)	(6,225)
Adjustments for:		
Depreciation of property, plant and equipment	2,435	3,197
Amortisation of goodwill	757	2,527
Impairment of goodwill	1,916	–
Loss on disposal of property, plant and equipment	40	57
Deficit arising on revaluation of leasehold property	–	925
Profit on disposals of listed securities	(1,550)	(823)
Unrealised gains on trading securities	(69)	(225)
Gain on disposal of a subsidiary	(20)	(9,583)
Bank interest income	(52)	(251)
Dividend income from listed securities	(140)	(182)
Investment return from unincorporated syndicates	(5,494)	–
Interest expenses	1,275	–
Share of (profits)/losses of associates	(7,430)	60
Operating loss before working capital changes	(8,588)	(10,523)
Decrease/(Increase) in loans receivable	5,499	(10,028)
Increase in inventories	(132)	–
Increase in trade and other receivables	(1,403)	(5,513)
Increase in trade payables, other payables and accruals	10,532	9,660
Increase in deferred income	2,044	262
Net cash inflow/(outflow) from operations	7,952	(16,142)
Tax refund	–	7
<i>Net cash generated from/(used in) operating activities</i>	7,952	(16,135)

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For the year ended 31 December 2004

	Notes	2004 HK\$'000	2003 HK\$'000
Cash flows from investing activities			
Purchases of property, plant and equipment		(4,236)	(278)
Proceeds from disposal of property, plant and equipment		4	10
Acquisition of a subsidiary, net of cash acquired		–	(2,395)
Disposal of a subsidiary	25(a)	850	9,615
Deposits refunded/(paid) for acquisition of investments		20,000	(12,200)
Acquisition of interest in unincorporated syndicates		(23,400)	(11,645)
Acquisition of an associate		(15,000)	–
Advance to an investee company		(4,000)	–
Purchases of trading securities		(3,087)	(4,770)
Proceeds from disposals of listed securities		8,789	5,820
Interest received		52	251
Investment return received from unincorporated syndicates		4,833	–
Dividend received from listed securities		140	182
Dividend received from an associate		301	–
<i>Net cash used in investing activities</i>		(14,754)	(15,410)
Cash flows from financing activities			
Proceeds from issue of convertible notes	25(b)	13,000	32,000
Early redemption of a convertible note		(3,000)	–
<i>Net cash generated from financing activities</i>		10,000	32,000
Net increase in cash and cash equivalents		3,198	455
Cash and cash equivalents at 1 January		43,584	43,129
Cash and cash equivalents at 31 December, comprising cash at banks and in hand		46,782	43,584