

Consolidated Cash Flow Statement

For the year ended 31 December 2005

	<i>Note</i>	2005 HK\$	2004 HK\$
OPERATING ACTIVITIES			
Cash used in operations	23	(78,974,060)	(5,682,975)
Interest paid		(2,673,090)	(1,178,991)
Net cash used in operating activities		(81,647,150)	(6,861,966)
INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		(51,780)	(62,999)
Proceeds from disposal of property, plant and equipment		8,300	3,000
Acquisition of available-for-sale investments		(3,000,039)	(20,000,000)
Proceeds from disposal of available-for-sale investments		6,295,076	22,803,908
Acquisition of subsidiaries, net of cash acquired		–	(8,999,984)
Dividends received		1,802,376	1,016,819
Interest received		223,064	398
Loan advances to an investee		(25,000,000)	–
Net cash used in investing activities		(19,723,003)	(5,238,858)
FINANCING ACTIVITIES			
Proceeds from rights issue		52,787,600	13,440,000
Proceeds from placements of shares		5,846,818	15,520,000
Proceeds from shares issued under share option scheme		3,990,000	–
Share issue expenses		(2,248,302)	(1,256,479)
Proceeds from issue of convertible notes		20,000,000	–
New short-term borrowings		81,500,000	–
Repayment of short-term borrowings		(61,500,000)	–
Net cash from financing activities		100,376,116	27,703,521
Net (decrease) increase in cash and cash equivalents		(994,037)	15,602,697
Cash and cash equivalents at beginning of year		1,055,097	(14,547,600)
Cash and cash equivalents at balance sheet date, represented by bank balances and cash		61,060	1,055,097