

# Consolidated Cash Flow Statement

For the year ended 31 December 2005

	2005 HK\$	2004 HK\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	<b>(17,838,601)</b>	(2,104,702)
Adjustments for:		
Interest income	<b>(246,972)</b>	(274,453)
Loss/(gain) on investments in securities	<b>3,483,526</b>	(709,255)
Gain on disposal of a subsidiary ( <i>Note 26</i> )	–	(46,339)
Interest expense	–	42,215
Depreciation	–	54,935
Loss on write-off of property, plant and equipment	–	49,647
Impairment loss on available-for-sale financial assets	<b>13,500,000</b>	–
NET CASH OUTFLOW USED IN OPERATING ACTIVITIES	<b>(1,102,047)</b>	(2,987,952)
Increase in financial assets at fair value through profit or loss	<b>(20,704,595)</b>	–
Increase in investments in securities	–	(15,256,224)
Increase in other marketable securities	–	(2,380,651)
(Increase)/decrease in prepayments, deposits and other receivables	<b>(5,728,484)</b>	996,820
Increase in amount due from an investee company	–	(6,527)
(Decrease)/increase in accrued liabilities and other payables	<b>(47,250)</b>	62,443
CASH USED IN OPERATIONS	<b>(27,582,376)</b>	(19,572,091)
Interest received	<b>246,972</b>	274,453
Interest paid	–	(42,215)
NET CASH USED IN OPERATING ACTIVITIES	<b>(27,335,404)</b>	(19,339,853)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of a subsidiary ( <i>Note 26</i> )	–	4,680,730
Acquisition of subsidiaries ( <i>Note 27</i> )	–	(9,935,143)
NET CASH USED IN INVESTING ACTIVITIES	–	(5,254,413)

# Consolidated Cash Flow Statement

For the year ended 31 December 2005

	<b>2005</b> <b>HK\$</b>	2004 HK\$
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	–	50,000,000
Share issue expenses	–	(1,651,000)
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NET CASH GENERATED FROM FINANCING ACTIVITIES	–	48,349,000
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NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	<b>(27,335,404)</b>	23,754,734
CASH AND CASH BALANCE AT BEGINNING OF YEAR	<b>38,259,836</b>	14,505,102
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CASH AND CASH BALANCE AT END OF YEAR (Note 21)	<b>10,924,432</b>	38,259,836
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