

Consolidated Cash Flow Statement

for the year ended 31 December 2005

	Notes	2005 HK\$'000	(Restated) 2004 HK\$'000
Cash flows from operating activities			
Loss before income tax		(12,316)	(1,119)
Adjustments for:			
Depreciation of property, plant and equipment		2,099	2,435
Amortisation of goodwill		–	757
Impairment of goodwill		600	1,916
Loss on disposal of property, plant and equipment		15	40
Loss on disposal of an associate	34	1,238	–
Gain on disposals of listed securities		–	(1,550)
Unrealised loss on financial assets at fair value through profit or loss		38	–
Unrealised gain on trading securities		–	(69)
Gain on disposal of a subsidiary		–	(20)
Bank interest income		(317)	(52)
Dividend income from listed securities		–	(140)
Investment return from unincorporated syndicates		(2,679)	(5,494)
Interest expenses		48	2,138
Share of profits of associates		(417)	(7,430)
Impairment loss on loans receivable written back		(361)	–
Other payables written back		(31)	–
Operating loss before working capital changes		(12,083)	(8,588)
Decrease in loans receivable		11,304	5,499
Increase in inventories		(2,718)	(132)
Decrease/(Increase) in trade and other receivables		1,714	(1,403)
(Decrease)/Increase in trade payables, other payables and accruals		(19,606)	10,532
Increase in deferred income		598	2,044
Net cash (used in)/generated from operating activities		(20,791)	7,952
Cash flows from investing activities			
Purchases of property, plant and equipment		(990)	(4,236)
Proceeds from disposal of property, plant and equipment		–	4
Disposal of a subsidiary		–	850
Deposits refunded for acquisitions of investments		–	20,000
Acquisition of interest in unincorporated syndicates		–	(23,400)
Acquisition of an associate		(56,187)	(15,000)
Advance to an investee company		(4,410)	(4,000)
Purchases of listed securities		(15)	(3,087)
Proceeds from disposals of an associate	34	13,605	–
Proceeds from disposals of listed securities		–	8,789
Interest received		317	52
Investment return received from unincorporated syndicates		3,340	4,833
Dividend received from listed securities		–	140
Dividend received from an associate		1,094	301
Net cash used in investing activities		(43,246)	(14,754)

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for the year ended 31 December 2005

	<i>Notes</i>	2005 HK\$'000	(Restated) 2004 HK\$'000
Cash flows from financing activities			
Proceeds from issue of convertible notes		–	13,000
Early redemption of a convertible note		–	(3,000)
Proceeds from rights issue		48,509	–
Share issue expenses paid		(2,004)	–
Interest paid		(1,323)	–
Net cash generated from financing activities		45,182	10,000
Net (decrease)/increase in cash		(18,855)	3,198
Cash and cash equivalents at 1 January	26	46,782	43,584
Cash and cash equivalents at 31 December	26	27,927	46,782