

# Consolidated Cash Flow Statement

For the year ended 31 December 2004

	<i>Notes</i>	2004	2003
		HK\$'000	HK\$'000
OPERATING ACTIVITIES			
Loss before taxation		(2,215)	(198,343)
Adjustments for:			
Depreciation		572	702
Gain on disposal of property, plant and equipment		—	(120)
Net realised loss (gain) on trading securities		2,330	(3,044)
Net unrealised gain on trading securities		(5,024)	(10,638)
Interest income		(4)	(21)
Interest expenses		2,129	5,100
Amortisation of the issue costs of convertible note payable		250	500
Dividend income		(576)	(1,620)
Share of results of associates		(1,027)	6,309
Share of results of joint ventures		282	292
Gain on disposal of subsidiaries		(2,909)	—
Gain on disposal of interests in associates		(12,254)	—
Amortisation of goodwill in respect of acquisition of associates		—	26,294
Impairment loss recognised in respect of interests in associates		—	153,410
Write down of inventories		—	939
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Operating cash flows before movements in working capital		(18,446)	(20,240)
Decrease (increase) in inventories		591	(5,406)
Decrease in trade and other receivables		359	2,933
(Decrease) increase in trade and other payables		(1,765)	7,096
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Cash used in operations		(19,261)	(15,617)
Interest received		4	21
Interest paid		(2,129)	(5,100)
Dividend received		576	1,620
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NET CASH USED IN OPERATING ACTIVITIES		(20,810)	(19,076)
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## Consolidated Cash Flow Statement (Continued)

For the year ended 31 December 2004

	<i>Notes</i>	2004 HK\$'000	2003 HK\$'000
INVESTING ACTIVITIES			
Purchases of trading securities		—	(21,347)
Purchases of property, plant and equipment		—	(420)
Proceeds from disposal of trading securities		29,518	20,726
Proceeds from disposal of property, plant and equipment		—	331
Proceeds from disposal of subsidiaries (net of cash and cash equivalents disposed of)	23	(192)	—
Proceeds from disposal of interests in associates	24	78,000	—
		<u>107,326</u>	<u>(710)</u>
NET CASH FROM (USED IN) INVESTING ACTIVITIES			
FINANCING ACTIVITIES			
New short-term borrowings raised		—	31,000
Repayment of short-term borrowings		(25,000)	(6,000)
Redemption of convertible notes		(58,000)	—
		<u>(83,000)</u>	<u>25,000</u>
NET CASH (USED IN) FROM FINANCING ACTIVITIES			
NET INCREASE IN CASH AND CASH EQUIVALENTS			
CASH AND CASH EQUIVALENTS			
AT THE BEGINNING OF THE YEAR		<u>6,600</u>	<u>1,386</u>
CASH AND CASH EQUIVALENTS			
AT THE END OF THE YEAR		<u>10,116</u>	<u>6,600</u>
ANALYSIS OF THE BALANCE OF CASH AND			
CASH EQUIVALENTS			
Bank balances and cash		<u>10,116</u>	<u>6,600</u>