

# Consolidated Cash Flow Statement

FOR THE YEAR ENDED 31 DECEMBER 2004

	2004 HK\$'000	2003 HK\$'000
<b>Operating activities</b>		
Loss before taxation	(7,107)	(11,860)
Adjustments for:		
Depreciation	35	—
Interest expense	7	61
Loss on disposal of listed investments	—	1,014
Loss on disposal of property, plant and equipment	10	—
Impairment loss recognised in respect of other securities	3,808	8,800
Property, plant and equipment written off	—	69
Provision for amount due from a related company	—	178
Operating loss before working capital changes	(3,247)	(1,738)
(Increase)/Decrease in other receivables	(1,780)	1,772
Increase/(Decrease) in other payables	1,004	(1,219)
(Decrease)/Increase in amounts due to directors	(125)	236
Decrease in amount due to a related company	—	(114)
Net cash outflow from operations	(4,148)	(1,063)
Interest paid	(2)	—
Net cash used in operating activities	(4,150)	(1,063)
<b>Investing activities</b>		
Purchases of investments in securities	(3,564)	—
Net proceeds from disposal of investments in securities	—	4,274
Purchases of property, plant and equipment	(209)	—
Proceeds from disposal of property, plant and equipment	12	—
Net cash (used in)/ from investing activities	(3,761)	4,274
<b>Financing activities</b>		
Interest paid	—	(61)
Net proceeds from placement of ordinary shares	5,859	842
Capital element of finance lease payments	(9)	—
Interest element of finance lease payments	(5)	—
Repayment of secured loan	—	(1,000)
Increase in pledged deposit	(1,000)	—
Net cash from/(used in) financing activities	4,845	(219)
<b>Net (decrease)/increase in cash at banks</b>	<b>(3,066)</b>	<b>2,992</b>
<b>Cash at banks at 1 January</b>	<b>3,106</b>	<b>114</b>
<b>Cash at banks at 31 December</b>	<b>40</b>	<b>3,106</b>