

CONSOLIDATED

CASH FLOW STATEMENT

For the year ended 31 December 2005

	2005 HK\$'000	2004 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	11,297	20,537
Adjustments for:		
Interest expenses	336	370
Interest income	(3,525)	(1,287)
Dividend income from listed investments	(3,174)	(2,071)
Share of profits of associates, net	(1,470)	(2,198)
Gain on disposal of items of property, plant and equipment	—	(5,874)
Gain on disposal of financial assets at fair value through profit or loss/short term investments	(5,165)	(7,621)
Fair value losses, net		
Financial assets at fair value through profit or loss	4,057	—
Depreciation	459	1,267
Recognition of prepaid land lease payments	9	8
Negative goodwill recognised as income on acquisition of an associate	—	(2,818)
Gain on disposal of a deconsolidated subsidiary	—	(4,162)
Unrealised losses on revaluation of listed investments, net	—	5,143
Impairment of interest in an associate	—	445
Operating profit before working capital changes	2,824	1,739
Decrease/(increase) in inventories	399	(604)
Decrease in trade receivables	324	74,789
Decrease/(increase) in prepayments, deposits and other receivables	7,685	(20,031)
Decrease in trade payables	(346)	(52,843)
Increase/(decrease) in other payables and accruals	1,794	(518)
Net cash inflow from operating activities	12,680	2,532
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	3,525	1,287
Dividend income from listed investments	3,174	2,071
Purchases of items of property, plant and equipment	(566)	(510)
Purchases of available-for-sale financial assets/ long term investments	(11,202)	(15,600)
Loans to associates	—	(445)
Purchases of financial assets at fair value through profit or loss/ short term investments	(55,081)	(90,433)
Proceeds from disposal of items of property, plant and equipment	—	6,240
Proceeds from disposal of available-for-sale financial assets	15,600	—
Proceeds from disposal of financial assets at fair value through profit or loss/short term investments	34,711	61,272
Proceeds from disposal of a deconsolidated subsidiary	—	4,162
Increase in pledged time deposits	(17,663)	—
Net cash outflow from investing activities	(27,502)	(31,956)

CONSOLIDATED CASH FLOW STATEMENT (CONT'D)

For the year ended 31 December 2005

	Notes	2005 HK\$'000	2004 HK\$'000 (Restated)
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest paid		(336)	(370)
New borrowings raised		1,603	—
Net cash inflow/(outflow) from financing activities		1,267	(370)
NET DECREASE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at beginning of the year		33,191	62,985
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		19,636	33,191
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	23	3,470	15,004
Non-pledged time deposits with original maturity of less than three months when acquired	23	16,166	18,187
		19,636	33,191