

Consolidated Cash Flow Statement

For the year ended 31st December 2005

	2005 HK\$' million	2004 HK\$' million
OPERATING ACTIVITIES		
Loss before taxation	(78.5)	(246.9)
Adjustments for:		
Depreciation	0.4	0.4
Impairment loss recognised in respect of available-for-sale investments	31.7	27.3
Change in fair value on an investment property	13.0	29.3
Loss on derivative financial instrument	0.1	—
Impairment losses recognised in respect of goodwill arising from acquisition of subsidiary	7.9	—
Provision for loss on a guarantee agreement	22.9	—
Allowance for bad and doubtful debts	2.5	—
Impairment loss recognised in respect of other assets	—	3.6
Gain on disposal of an investment property	—	(6.8)
Amortisation of goodwill in respect of associates	—	6.3
Impairment losses recognised in respect of goodwill arising from acquisition of associates	—	41.3
Share of losses of associates	—	18.1
Impairment losses recognised in respect of interests in associates	—	138.0
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Operating cash flows before movements in working capital	—	10.6
Increase in trade and other receivables	(5.4)	(18.7)
Decrease in other payables and accrued charges	(1.2)	(14.3)
Increase in held for trading investments	(12.2)	—
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Cash used in operations	(18.8)	(22.4)
Overseas tax paid	(0.2)	(1.9)
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NET CASH USED IN OPERATING ACTIVITIES	(19.0)	(24.3)

Consolidated Cash Flow Statement (Continued)

For the year ended 31st December 2005

	<i>Notes</i>	2005 HK\$' million	2004 HK\$' million
INVESTING ACTIVITIES			
Deposit paid for acquisition of subsidiary		(13.8)	—
Decrease (increase) in deposits in an assets management company		1.7	(33.4)
Acquisition of a subsidiary	31	0.1	—
Purchase of available-for-sale investment		—	(10.0)
Investment made to other assets		—	(3.6)
Proceeds from disposal of plant and equipment		—	0.5
Proceeds from disposal of an investment property		—	34.4
Proceeds from disposal of subsidiary	31	—	12.0
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NET CASH USED IN INVESTING ACTIVITIES		(12.0)	(0.1)
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FINANCING ACTIVITY			
Net proceeds from issue of new shares		22.1	—
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NET DECREASE IN CASH AND CASH EQUIVALENTS		(8.9)	(24.4)
CASH AND CASH EQUIVALENTS AT 1ST JANUARY		4.8	29.2
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CASH AND CASH EQUIVALENTS AT 31ST DECEMBER	22	(4.1)	4.8
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