

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2006

	THE GROUP	
	2006	2005
	<i>HK\$'000</i>	<i>HK\$'000</i>
Operating activities		
(Loss)/profit before taxation	(7,075)	7,023
Adjustments for:-		
Allowance for doubtful debts	2,474	754
Amortisation of operating lease prepayments	748	729
Amortisation of intangible asset	412	401
Depreciation of property, plant and equipment	19,797	19,567
Interest expense	4,542	4,307
Plant and equipment written off	6	-
Unrealised loss on foreign exchange	1,586	763
Gain on disposal of listed securities	(47)	-
Gain on disposal of plant and equipment	(23)	-
Interest income	-	(23)
Other dividend income	(1,092)	(643)
Write back of allowance for diminution in value of listed securities	(5,713)	-
Write back of allowance for doubtful debts	(505)	(283)
	15,110	32,595
Increase in inventories	(10,950)	(18,257)
Increase in trade and other receivables	(5,954)	(14,185)
Increase in trade and other payables	13,479	12,027
	11,685	12,180
Cash generated from operations	11,685	12,180
Interest received	-	23
Interest paid	(4,542)	(4,307)
	7,143	7,896
Net cash generated from operating activities	7,143	7,896
Investing activities		
Purchase of property, plant and equipment	(9,387)	(5,688)
Purchase of listed securities	(97)	(1,297)
Proceeds from disposal of listed securities	151	-
Proceeds from disposal of plant and equipment	107	35
Other dividends received	1,092	643
	(8,134)	(6,307)
Net cash used in investing activities	(8,134)	(6,307)

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		THE GROUP	
		2006	2005
	<i>NOTE</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Financing activities			
Drawdown of borrowings		81,874	67,259
Repayment of borrowings		(67,259)	(70,341)
Advance to a related party		(1,691)	(142)
Advances from a director		2,410	308
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Net cash generated from/(used in) financing activities		15,334	(2,916)
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Net increase/(decrease) in cash and cash equivalents		14,343	(1,327)
Cash and cash equivalents at beginning of the year		35,461	36,031
Effect of foreign exchange rate changes, net		1,643	757
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Cash and cash equivalents at end of the year	24	51,447	35,461
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