



# CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2005

	2005 HK\$'000	2004 HK\$'000 (As restated)
<b>Operating activities</b>		
Loss before taxation	(7,022)	(101,894)
Adjustments for:		
Allowance for bad and doubtful debts	190	581
Provision for litigation cases	4,000	–
Depreciation of property, plant and equipment	2,733	2,999
Amortisation of prepaid lease payment	758	381
Amortisation of goodwill	–	9,901
Amortisation of intangible assets	4,481	314
Impairment of goodwill	–	54,949
Loss on disposal of property, plant and equipment	440	258
Loss on disposal of subsidiaries	4,319	–
Loss on disposal of discontinued operations	–	1,006
Net exchange loss	363	1
Fair value (gain) loss on investment properties, net	(7,080)	1,070
Share-based payment expense	8,042	–
Interest income	(141)	(12)
Interest expenses	5,978	2,350
<b>Profit/(loss) before working capital changes</b>	<b>17,061</b>	<b>(28,096)</b>
Increase in inventories	–	(1,440)
(Increase) decrease in trade and other receivables	(10,296)	3,028
Increase in trade payable, other payables and accruals	5,020	7,299
<b>Cash generated from (used in) operations</b>	<b>11,785</b>	<b>(19,209)</b>
Interests paid	(3,228)	(2,350)
Hong Kong Profits Tax refunded (paid)	40	(42)
<b>Net cash generated from (used in) operating activities</b>	<b>8,597</b>	<b>(21,601)</b>

# CONSOLIDATED CASH FLOW STATEMENT



for the year ended 31 December 2005

	NOTES	2005 HK\$'000	2004 HK\$'000 (As restated)
<b>Investing activities</b>			
Interest received		141	12
Proceeds from disposal of property, plant and equipment		96	3,538
Acquisition of interests in subsidiaries, net of cash acquired	30	156	171
Disposal of subsidiaries, net of cash disposed of	7, 31	2,716	1,128
Purchase of property, plant and equipment		(2,428)	(4,303)
Purchase of intangible assets		(14)	(777)
Increase in pledged bank deposits		(89)	(2)
Payment of consideration of acquisition of subsidiaries		–	(33,500)
Receipt (payment) of obligations of finance leases		2,044	(865)
<b>Net cash generated from (used in) investing activities</b>		<b>2,622</b>	<b>(34,598)</b>
<b>Financing activities</b>			
Raise of new borrowings		13,396	64,000
Issue of shares on, exercise of share option		6,897	5,080
Issue of subsidiaries shares to minority interests		–	4,145
Repayment of borrowings		(8,793)	(22,963)
Repayment of obligations under finance lease		(1,268)	–
<b>Net cash generated from financing activities</b>		<b>10,232</b>	<b>50,262</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>21,451</b>	<b>(5,937)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>5,467</b>	<b>11,404</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>26,918</b>	<b>5,467</b>
Represented by:			
Bank balances and cash		27,374	5,467
Bank overdraft		(456)	–
		<b>26,918</b>	<b>5,467</b>