



# Consolidated Cash Flow Statement

Year ended 31 December 2005

	<i>Notes</i>	<b>2005</b> <b>HK\$'000</b>	2004 HK\$'000
<b>OPERATING ACTIVITIES</b>			
Net cash used in operations	27	(5,492)	(17,346)
Interest paid on bank and other borrowings		(1,697)	–
Net cash outflow from operating activities		<b>(7,189)</b>	(17,346)
<b>INVESTING ACTIVITIES</b>			
Purchases of fixed assets		(1,241)	(507)
Interest received		10	9
Proceeds from disposal of fixed assets		194	–
Net cash outflow from investing activities		<b>(1,037)</b>	(498)
<b>FINANCING ACTIVITIES</b>			
Gross proceeds from issue of convertible notes		–	21,500
Convertible notes issue costs		–	(865)
Gross proceeds from issue of share capital		<b>7,200</b>	–
Net cash inflow from financing activities		<b>7,200</b>	20,635
(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		<b>(1,026)</b>	2,791
Cash and cash equivalents at beginning of year		<b>5,771</b>	2,980
Effect of foreign exchange rate changes		<b>49</b>	–
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>4,794</b>	5,771