

STATEMENTS OF CASH FLOW

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2005

		2005	THE GROUP	
NOTE	HK\$'000	2004	2004	2004
		HK\$'000	(As Restated)	(As Previously Reported)
Cash flows from/(for) operating activities				
Profit/(Loss) before taxation		7,023	(7,483)	(7,297)
Adjustments for:-				
Allowance for doubtful debts		754	2,275	-
Amortisation of operating lease prepayments		729	722	-
Amortisation of intangible asset		401	397	-
Depreciation of property, plant and equipment		19,567	18,822	188
Plant and equipment written off		-	156	-
Unrealised loss on foreign exchange		763	917	731
Loss on disposal of listed securities		-	1,303	1,303
Interest expense		4,307	4,940	-
Share of net loss/(profit) of:				
- Joint Venture		-	-	4,360
- Associate		-	(4,440)	(4,440)
Interest income		(23)	-	-
Other dividend income		(643)	(141)	(141)
Writeback of allowance for doubtful debts		(283)	(269)	-
Writeback of provision for warranty claims		-	(3,951)	-
		<hr/>	<hr/>	<hr/>
Operating profit/(loss) before working capital changes		32,595	13,248	(5,296)
Increase in inventories		(18,257)	(18,998)	-
(Increase)/Decrease in trade and other receivables		(14,185)	4,564	137
Increase in trade and other payables		12,027	31,022	308
		<hr/>	<hr/>	<hr/>
Cash from/(for) operations		12,180	29,836	(4,851)
Interest received		23	-	-
Interest paid		(4,307)	(4,940)	-
Income tax paid		-	(891)	-
		<hr/>	<hr/>	<hr/>
Net cash from/(for) operating activities		7,896	24,005	(4,851)
Cash flows (for)/from investing activities				
Purchase of property, plant and equipment		(5,688)	(3,802)	-
Purchase of listed securities		(1,297)	(10)	(10)
Proceeds from disposal of listed securities		-	2,394	2,394
Proceeds from disposal of plant and equipment		35	-	-
Purchase of shares in an associate		-	(1,588)	(1,588)
Dividends received from an associate		-	901	901
Other dividends received		643	141	141
Repayment from the Joint Venture		-	-	988
		<hr/>	<hr/>	<hr/>
Net cash (for)/from investing activities		(6,307)	(1,964)	2,826

STATEMENTS OF CASH FLOW

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2005

		THE GROUP		
	2005	2004	2004	
<i>NOTE</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	
		<i>(As Restated)</i>	<i>(As Previously Reported)</i>	
Cash flows (for)/from financing activities				
Net repayment of borrowings (Repayment to)/ Advance from a related party	(3,082)	(14,928)	–	
Advances from a director	(142)	544	–	
	308	748	748	
Net cash (for)/from financing activities	(2,916)	(13,636)	748	
Net (decrease)/increase in cash and cash equivalents	(1,327)	8,405	(1,277)	
Cash and cash equivalents at beginning of the financial year	36,031	27,199	9,604	
Effect of foreign exchange rate changes, net	757	427	(438)	
Cash and cash equivalents at end of the financial year	35,461	36,031	7,889	
	<i>13</i>			

STATEMENTS OF CASH FLOW

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2005

	NOTE	THE COMPANY		
		2005 HK\$'000	2004 HK\$'000 <i>(As Restated)</i>	2004 HK\$'000 <i>(As Previously Reported)</i>
Cash flows for operating activities				
Loss before taxation		(7,160)	(3,681)	(5,236)
Adjustment for:-				
Unrealised loss/(gain) on foreign exchange		2,365	(1,561)	(6)
Operating loss before working capital changes		(4,795)	(5,242)	(5,242)
Decrease/(Increase) in receivables		12	(4)	(4)
(Decrease)/Increase in payables		(15)	265	265
Net cash for operating activities		(4,798)	(4,981)	(4,981)
Cash flows from investing activities				
Repayment from subsidiaries		4,680	5,335	5,335
Repayment from/(Advance to) the Joint Venture		(54)	61	61
Net cash from investing activities		4,626	5,396	5,396
Net (decrease)/increase in cash and cash equivalents		(172)	415	415
Cash and cash equivalents at beginning of the financial year		555	107	107
Effect of foreign exchange rate changes, net		(27)	33	33
Cash and cash equivalents at end of the financial year	13	356	555	555