

Consolidated Cash Flow Statement

For the year ended 31 December 2005

<i>Note</i>	2005 <i>HK\$'000</i>	2004 <i>HK\$'000</i>
Operating activities		
Loss before taxation	(27,223)	(21,415)
Adjustments for:		
Depreciation	4,963	4,964
Amortisation of goodwill	—	111
Interest income	(15)	(236)
Gain on deemed disposal of a subsidiary	—	(1,776)
Gain on disposal of a subsidiary	—	(1,570)
Impairment of available-for-sale securities	1,791	—
Impairment of investment securities	—	4,731
Impairment of interests in associates	12,266	—
Net gain on disposal and written off of fixed assets	(336)	(288)
Finance costs	1,661	1,456
Share of losses of associates	1,911	8,011
Foreign exchange difference	(149)	98
Write off of other receivables	1,139	—
	(3,992)	(5,914)
Increase in inventories	(731)	(5,059)
Increase in trade and other receivables	(8,542)	(865)
Increase in trade and other payables	20,057	10,751
Net cash generated from/(used in) operating activities	6,792	(1,087)

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	<i>Note</i>	2005 <i>HK\$'000</i>	2004 <i>HK\$'000</i>
Investing activities			
Payment for purchase of fixed assets		(4,839)	(8,972)
Net proceeds from sale of fixed assets		1,157	4,430
Cash inflow from disposal of subsidiaries		—	2,604
Increase in pledged bank deposits		(1,500)	—
Interest received		15	236
Net cash used in investing activities		(5,167)	(1,702)
Financing activities			
Proceeds from exercise of warrants	30(a)	—	1,154
New loans from financial institutions		863	4,124
Repayment of loans from financial institutions		(472)	(584)
Interest paid		(1,027)	(640)
Net cash (used in)/generated from financing activities		(636)	4,054
Net increase in cash and cash equivalents		989	1,265
Cash and cash equivalents at 1 January		1,650	385
Cash and cash equivalents at 31 December		2,639	1,650