

Consolidated Cash Flow Statement

For the year ended 31 December 2005

	Notes	2005 HK\$'000	2004 HK\$'000 (Restated)
Cash flows from operating activities			
(Loss) / Profit before income tax, including loss from discontinued operation		(58,788)	17,354
Adjustments for :			
Interest expenses	7	8,082	4,966
Share of profits of associates		–	(19,791)
Amortisation of goodwill		–	4,989
Amortisation of prepaid lease payments	8	465	226
Impairment loss on goodwill	8	59,000	–
Interest income	5	(141)	(22)
Net realised losses on trading of short term listed equity investments	8	–	1,881
Fair value loss on financial assets at fair value through profit or loss	8	934	–
Net unrealised holding losses on short term listed equity investments	8	–	1,031
Depreciation	8	21,456	11,104
Provision for doubtful debts	8	–	6,689
Gain on disposals of property, plant and equipment	5	(36)	(74)
Gain on discontinued operation	10	–	(2,876)
Operating profit before working capital changes		30,972	25,477
Increase in inventories		(1,071)	(20,442)
Decrease in account receivables		1,801	29,493
Decrease/(Increase) in prepayments, deposits and other receivables		1,934	(10,407)
Increase in short term investments		–	(603)
Decrease in financial assets at fair value through profit or loss		1,379	–
Decrease in account payables		(1,538)	(5,882)
Decrease in other payables and accruals		1,140	11,128
Decrease in amount due to a director		(8,871)	(821)
Cash generated from operations		25,746	27,943
Interest received		141	22
Interest paid		(8,082)	(4,966)
Income tax refunded/(paid)		590	(2,780)
Net cash from operating activities		18,395	20,219

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For the year ended 31 December 2005

<i>Notes</i>	2005 HK\$'000	2004 <i>HK\$'000</i> (Restated)
Cash flows from investing activities		
	(477)	(2,781)
Purchase of property, plant and equipment		
Proceeds from disposal of property, plant and equipment	339	600
Purchase of subsidiaries (net of cash and cash equivalent acquired)	33(a) -	8,970
Disposal of a subsidiary (net of cash and cash equivalent disposed)	33(b) -	(4)
Advances of loans to jointly-controlled entities	(8,888)	(11,970)
Repayment from jointly-controlled entities	-	8,838
Repayment of loans from minority shareholder	(937)	-
Decrease in an amount due from an associate	-	108
Increase in pledged bank deposits	-	1,521
Net cash (used in)/from investing activities	(9,963)	5,282
Cash flows from financing activities		
New bank loans	119,904	17,757
Repayment of bank loans	(149,602)	(16,013)
Loan from minority shareholders	-	7,779
Dividend paid to a minority shareholder	-	(8,200)
Net cash (used in)/from financing activities	(29,698)	1,323
Net (decrease)/increase in cash and cash equivalents		
	(21,266)	26,824
Cash and cash equivalents at 1 January	50,414	23,590
Effect of foreign exchange rate changes	(1,972)	-
Cash and cash equivalents at 31 December	27,176	50,414
Analysis of balances of cash and cash equivalents		
Cash and bank balances	27,176	50,414