

# Consolidated Cash Flow Statement

For the year ended 31st December, 2005

	Notes	2005 HK\$'000	2004 HK\$'000
<b>OPERATING ACTIVITIES</b>			
Loss before taxation		(32,580)	(230,935)
Adjustments for:			
Depreciation		177	79
Finance costs		16,512	6,472
Impairment losses and revaluation decrease		11,514	230,983
Prepaid lease payments recognised		240	—
Interest income		(14)	(24)
Gain on disposal of subsidiaries		—	(15,609)
Operating cash flows before movements in working capital		(4,151)	(9,034)
Increase in inventory		(237)	—
Decrease (increase) in trade and other receivables		1,185	(1,719)
Decrease in properties held for sale		2,924	—
Increase in trade and other payables		2,265	3,097
Increase in deposits received		—	10,175
Cash generated from operations		1,986	2,519
Interest received		14	24
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>2,000</b>	<b>2,543</b>
<b>INVESTING ACTIVITIES</b>			
Acquisition of subsidiaries	30	(38,736)	—
Deferred consideration on disposal of subsidiaries		33,483	—
Disposal of subsidiaries	31	—	40,486
Additional costs incurred on properties under/held for development		—	(9,467)
Purchase of property, plant and equipment		—	(104)
<b>NET CASH (USED IN) FROM INVESTING ACTIVITIES</b>		<b>(5,253)</b>	<b>30,915</b>
<b>FINANCING ACTIVITIES</b>			
Advance from ultimate holding company		4,024	667
Repayment of bank and other borrowings		—	(30,000)
Interest paid		—	(6,472)
<b>NET CASH FROM (USED IN) FINANCING ACTIVITIES</b>		<b>4,024</b>	<b>(35,805)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>771</b>	<b>(2,347)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>		<b>2,476</b>	<b>4,823</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank balances and cash</b>		<b>3,247</b>	<b>2,476</b>