

# Consolidated Cash Flow Statement

Year ended 31 December 2005

	2005 HK\$'000	2004 HK\$'000 (Restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before income tax from continuing operations	<b>(23,273)</b>	(203,835)
Adjustments for:		
Interest income	<b>(1)</b>	(833)
Write-off of property, plant and equipment	<b>1,990</b>	–
Write-off of computer software development cost	<b>5,208</b>	–
Gain on disposal of subsidiary	–	(997)
Gain arising from changes in fair value less estimated point-of-sale costs of biological assets	<b>(6,615)</b>	(5,461)
Loss on disposal of property, plant and equipment	–	169
Amortisation of goodwill on acquisition of subsidiaries	–	2,272
Amortisation of leasehold land and land use right	<b>2,489</b>	2,467
Amortisation of computer software development cost	–	1,302
Depreciation	<b>432</b>	1,432
Impairment on receivables	<b>6,737</b>	25,154
Impairment on amount due from minority shareholder of a subsidiary	–	20,529
Provision for impairment of goodwill	–	40,513
Provision for impairment of property, plant and equipment	<b>3,024</b>	–
Provision for loss in cash deposit	–	126,845
Finance costs	<b>847</b>	14
Operating (loss)/profit before working capital changes	<b>(9,162)</b>	9,571
Decrease in inventories	<b>1</b>	56
(Increase)/decrease in biological assets	<b>(32)</b>	342
Decrease in accounts receivable	–	25,115
Increase in prepayments and deposits	<b>(5,111)</b>	(26,694)
Increase in amount due from minority shareholder of a subsidiary	–	(20,529)
(Increase)/decrease in amounts due from related companies	<b>(3,416)</b>	3
Decrease/(increase) in cash balance at PRC Trust Co-operative Union	<b>276</b>	(127,128)
Decrease in accounts payable	<b>(2)</b>	(3,009)
Increase/(decrease) in other payables and accrued liabilities	<b>9,130</b>	(34,674)
Decrease in amount due to a minority shareholder of a subsidiary	–	(30,000)
(Decrease)/increase in amounts due to related companies	<b>(11,758)</b>	5,679

# Consolidated Cash Flow Statement *(Continued)*

Year ended 31 December 2005

	Note	2005 HK\$'000	2004 HK\$'000 (Restated)
Cash used in continuing operations		(20,074)	(201,268)
Interest paid		(847)	(14)
<b>NET CASH OUTFLOW USED IN OPERATING ACTIVITIES</b>		<b>(20,921)</b>	<b>(201,282)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received		1	833
Purchase of computer software development cost		–	(6,510)
Purchase of property, plant and equipment		(4)	(2,642)
Proceeds from disposal of property, plant and equipment		–	365
Proceeds from disposal of subsidiary		–	997
Refund of deposit paid for potential future investment		–	126,000
Repayment of promissory notes receivable in connection with the disposal of discontinued operations		–	60,000
<b>NET CASH (OUTFLOW)/INFLOW FROM INVESTING ACTIVITIES</b>		<b>(3)</b>	<b>179,043</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of other borrowings		(11,500)	–
Proceeds from issue of share capital	28(a)	14,000	22,778
New loan raised		16,228	1,404
Repayment of bank loans		(240)	(188)
<b>NET CASH INFLOW FROM FINANCING ACTIVITIES</b>		<b>18,488</b>	<b>23,994</b>
Net cash (used in)/from continuing operations		(2,436)	1,755
Effect of foreign currency translation		633	127
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(1,803)</b>	<b>1,882</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>		<b>2,051</b>	<b>169</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>248</b>	<b>2,051</b>
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances		248	2,051