

Consolidated Cash Flow Statement

For the year ended 31 December 2005 (in HK Dollars)

	Notes	2005 \$'000	2004 \$'000 (Restated)
Cash flows from operating activities			
Loss from operations		(4,343)	(283,367)
Adjustments for:			
Interest income		(1,948)	(1,872)
Depreciation		1,017	1,238
(Surplus)/deficit on revaluation of investment properties		(2,700)	17,800
Impairment loss on available-for-sale financial assets		–	253,466
Loss on disposal of property, plant and equipment		–	584
(Gain)/loss on disposal of investment properties		(1,450)	1,845
Provision for impairment of accounts receivable		–	2,299
Provision for impairment of amount due from a fellow subsidiary		–	2,405
Provision for impairment of amount due from an associate		605	–
Other receivables waived		4,136	–
Operating loss before working capital changes		(4,683)	(5,602)
Decrease in accounts receivable, prepayments, deposits and other receivables		307	9,772
Increase in other deposit		–	(14,151)
Increase/(decrease) in accounts payable, other payables and accrued expenses		3,843	(4,545)
Increase in amount due to ultimate holding company		2,550	6,582
Increase in amount due to a director		50	50
Cash generated from/(used in) operations		2,067	(7,894)
Interest received		79	3
Tax paid		(200)	–
Other borrowing costs paid		(1,124)	(2,452)
Net cash generated from/(used in) operating activities		822	(10,343)
Cash flows from investing activities			
Purchases of property, plant and equipment and properties under development		(1,709)	(19,686)
Proceeds from disposal of investment properties and other property, plant and equipment		37,582	2,975
Net cash generated from/(used in) investing activities		35,873	(16,711)
Cash flows from financing activities			
Repayment of bank loans		(27,158)	(2,630)
Net cash used in financing activities		(27,158)	(2,630)
Net increase/(decrease) in cash and cash equivalents		9,537	(29,684)
Effect of foreign exchange rate changes		(330)	17
Cash and cash equivalents at the beginning of the year		(2,543)	27,124
Cash and cash equivalents at the end of the year		6,664	(2,543)
Analysis of balances of cash and cash equivalents			
Cash and bank balances	28	6,664	4,595
Bank overdraft	28	–	(7,138)
		6,664	(2,543)

The accompanying notes form an integral part of these financial statements.