

Consolidated Cash Flow Statements

For the year ended 31st December 2006

	Note	2006 HK\$'000	2005 HK\$'000
Cash flows from operating activities			
Cash generated from operations	32	5,033	26,271
Interest paid		(9,998)	(5,773)
Profits tax paid		(8,866)	(1,283)
Profit tax refund		18	—
Net cash (used in)/generated from operating activities		<u>(13,813)</u>	<u>19,215</u>
Cash flows from investing activities			
Purchase and construction of property, plant and equipment		(21,950)	(20,592)
Proceeds from disposal of property, plant and equipment	32	131	388
Purchase of land use rights		(4,593)	—
Increase in intangible assets		(886)	—
Purchase of available-for-sales financial assets		(2,000)	—
(Increase)/decrease in pledged deposits		(2,430)	1,922
Interest received		764	1,350
Net cash used in investing activities		<u>(30,964)</u>	<u>(16,932)</u>
Cash flows from financing activities			
Proceeds from new borrowings		357,626	142,687
Repayment of borrowings		(293,683)	(150,044)
Decrease in amounts due to directors		(3,456)	(53)
Decrease in amount due to a related company		(266)	(719)
Dividends paid		(21,000)	(2,000)
Issue of shares		66,000	—
Payment of share issuance expenses		(12,758)	—
Net cash generated from/(used in) financing activities		<u>92,463</u>	<u>(10,129)</u>
Net increase/(decrease) in cash and cash equivalents		47,686	(7,846)
Cash and cash equivalents at 1st January		9,110	16,709
Exchange (losses)/gains on cash and cash equivalents		(58)	247
Cash and cash equivalents at 31st December	16	<u>56,738</u>	<u>9,110</u>

The notes on pages 36 to 84 are an integral part of these consolidated financial statements.