



CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st December 2006

	2006 HK\$'000	2005 HK\$'000
Operating activities		
Loss before taxation	(44,268)	(59,064)
Adjustments for:-		
Finance costs	46	110
Interest income	(269)	(290)
Decrease/(increase) in fair value of investment properties	685	(58)
Depreciation on property, plant and equipment	11,277	12,633
Amortisation of prepaid lease payments on land use rights	326	326
Loss on disposal of/written off of property, plant and equipment	2,414	21
Impairment loss recognised on loans and receivables	711	-
Allowance for inventories	7,750	2,067
(Recovery of)/allowance for bad and doubtful debts	(954)	533
(Gain)/loss on disposal of available-for-sale investments	(41)	177
Impairment loss recognised on available-for-sale investments	751	1,460
Impairment loss (reversed)/recognised on freehold and land buildings in Taiwan	(7,904)	20,593
Gain on disposal of financial assets at fair value through profit or loss	(1)	-
Impairment loss recognised on financial assets at fair value through profit or loss	406	143
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Operating cash flows before movements in working capital	(29,071)	(21,349)
Decrease in inventories	3,617	10,794
Decrease in trade and bills receivables	29,096	15,544
Decrease in deposits, prepayments and other receivables	969	489
Decrease in trade and bills payables	(16,275)	(3,170)
(Decrease)/increase in accruals and other payables	(8,764)	6,767
Decrease in retirement benefit obligations	(3,633)	(749)
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Net cash (used in)/generated from operations	(24,061)	8,326
Hong Kong profits tax refunded	409	-
Overseas tax refunded	-	33
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Net cash (used in)/from operating activities	(23,652)	8,359
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CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st December 2006

	2006 HK\$'000	2005 HK\$'000
Investing activities		
Sales proceeds from loans and receivables	980	-
Sales proceeds from disposal of available-for-sale of investments	640	266
Purchase of property, plant and equipment and expenditure on construction-in-progress	(3,766)	(12,839)
Sales proceeds from disposal of property, plant and equipment	950	1,918
Sales proceeds from disposal of financial assets at fair value through profit or loss	1	-
Decrease/(increase) in frozen bank balances	1,049	(3,128)
Interest received	251	274
Net cash from/(used in) investing activities	105	(13,509)
Financing activities		
Interest paid	(46)	(110)
Repayment of bank overdraft	-	(849)
Advance from an intermediate holding company	10,000	-
Dividends paid to minority shareholders	(2,500)	-
Net cash from/(used in) financing activities	7,454	(959)
Net decrease in cash and cash equivalents	(16,093)	(6,109)
Cash and cash equivalents at beginning of the year	20,846	27,038
Effect of changes in foreign exchange rate	(68)	(83)
Cash and cash equivalents at end of the year	4,685	20,846
Analysis of the balances of cash and cash equivalents, represented by		
Cash and bank balances	4,685	20,846