

# Consolidated Cash Flow Statement

for the year ended 31 December 2006

	Notes	2006 HK\$'000	2005 HK\$'000
<b>Cash flows from operating activities</b>			
Loss before income tax		(850)	(12,316)
Adjustments for:			
Depreciation of property, plant and equipment		1,899	2,099
Impairment of goodwill		–	600
Loss on disposal of property, plant and equipment		27	15
Loss on disposal of an associate	32	–	1,238
Loss on dissolution of available-for-sale financial assets		5,045	–
Impairment loss on available-for-sale financial assets		5,000	–
Fair value (gain)/loss on financial assets			
at fair value through profit or loss		(47)	38
Gain on disposal of a subsidiary	33	(2,284)	–
Bank interest income		(548)	(317)
Dividend income from listed investments		(1)	–
Investment return from unincorporated syndicates		(950)	(2,679)
Dividend income from investee companies		(1,500)	–
Interest expenses		–	48
Share of profits of associates		(14,224)	(417)
Impairment loss on loans receivable written back		–	(361)
Other payables written back		(96)	(31)
Bad debts expenses		120	–
Other receivables written off		500	–
Operating loss before working capital changes		(7,909)	(12,083)
Decrease in loans receivable		359	11,304
Decrease/(Increase) in inventories		256	(2,718)
(Increase)/Decrease in trade and other receivables		(3,393)	1,714
Increase in amount due from an associate		(5)	–
Increase in amount due from a related company		(3,676)	–
Changes in balances with investee companies		(646)	–
Increase/(Decrease) in trade payables, other payables and accruals		3,358	(19,606)
(Decrease)/Increase in deferred income		(558)	598
Net cash used in operating activities		(12,214)	(20,791)

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for the year ended 31 December 2006

	Notes	2006 HK\$'000	2005 HK\$'000
<b>Cash flows from investing activities</b>			
Purchases of property, plant and equipment		(1,702)	(990)
Proceeds from disposal of a subsidiary, net of cash and cash equivalents disposed	33	96	–
Acquisition of an associate		–	(56,187)
Advance to an investee company		–	(4,410)
Repayment from an investee company		4,410	–
Purchases of listed securities		–	(15)
Proceeds from disposal of an associate	32	–	13,605
Interest received		548	317
Dividend received from investee companies		1,500	–
Investment return received from unincorporated syndicates		950	3,340
Dividend received from listed securities		1	–
Dividend received from an associate		–	1,094
Net cash generated from/(used in) investing activities		5,803	(43,246)
<b>Cash flows from financing activities</b>			
Proceeds from rights issue		26,460	48,509
Share issue expenses paid		(1,815)	(2,004)
Interest paid		–	(1,323)
Net cash generated from financing activities		24,645	45,182
<b>Net increase/(decrease) in cash</b>		<b>18,234</b>	<b>(18,855)</b>
<b>Cash and cash equivalents at 1 January</b>		<b>27,927</b>	<b>46,782</b>
<b>Cash and cash equivalents at 31 December</b>	26	<b>46,161</b>	<b>27,927</b>