

CONSOLIDATED CASH FLOW STATEMENT

For the Year Ended 31 December 2006

	Notes	2006 HK\$'000	2005 HK\$'000
Cash flows from operating activities			
Loss before tax		(12,186)	(108,804)
Adjustments for:			
Amortisation of intangible assets		1,400	15,110
Amortisation of interests in leasehold land held for own use under operating leases		115	111
Change in fair value of investments at fair value through profit or loss		(2,296)	(470)
Depreciation of investment properties		3,583	3,537
Depreciation of property, plant and equipment		5,327	5,082
Finance costs		5,746	3,925
Loss (gain) on disposal of property, plant and equipment		766	(1,041)
Gain on disposal of an associate		—	(3,716)
Gain on disposal of subsidiaries		(1,845)	(102)
Gain on partial disposal of a subsidiary		(881)	—
Impairment loss on goodwill arising from acquisitions of subsidiaries		1,938	240
Impairment loss on intangible assets		300	56,445
Impairment loss on interests in associates		—	3,181
Impairment on goodwill arising from acquisition of an associate		—	2,689
Interest income		(906)	(534)
Reversal of impairment loss on interests in leasehold land		(13,624)	—
Reversal of impairment losses on trade and other receivables		(2,390)	(1,542)
Share of results of associates		(338)	2,594
		(15,291)	(23,295)
Operating loss before working capital changes			
Decrease (increase) in inventories		370	(619)
Increase in trade and other receivables		2,661	2,936
Decrease in provision for staff welfare and bonus		—	(96)
Increase in trade and other payables		6,559	15,145
		(5,701)	(5,929)
Net cash used in operating activities			
Investing activities			
Interest income received		906	534
Purchase of property, plant and equipment		(1,686)	(1,760)
Proceeds from disposal of property, plant and equipment		256	1,836
Net cash inflow from disposal of subsidiaries	38	—	102
Acquisition of an associate		—	(7,000)
Dividend received from an associate		969	—
Proceeds from disposal of an associate		—	5,693
Net cash inflow (outflow) from acquisition of subsidiaries	37	2	(12,911)
		447	(13,506)
Net cash from (used in) investing activities			

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For the Year Ended 31 December 2006

	2006 HK\$'000	2005 HK\$'000
Financing activities		
Interest paid	(5,746)	(3,925)
New short-term bank loans borrowed	54,022	71,347
New other loans borrowed	22,397	10,063
Net proceeds from issue of shares	—	77,109
Repayments of short-term bank loans	(43,462)	(80,000)
Repayment of other loans	(10,063)	—
Repayments of convertible notes and promissory notes	—	(70,200)
(Decrease) increase in amounts due to directors	(7,206)	4,105
(Decrease) increase in amounts due to related companies	(636)	636
Advanced from holding company	10,208	800
Capital contributions from minority shareholders of subsidiaries	1,296	—
Net cash flows from financing activities	20,810	9,935
Net increase (decrease) in cash and cash equivalents	15,556	(9,500)
Cash and cash equivalents at beginning of year	47,650	56,272
Effect of foreign exchange rate changes	(3,799)	878
Cash and cash equivalents at end of year, representing Bank balances and cash	59,407	47,650