

# Consolidated Cash Flow Statement

For the year ended 31 December 2006

	2006 HK\$	2005 HK\$
<b>OPERATING ACTIVITIES</b>		
Loss before taxation	<b>(16,133,833)</b>	(22,736,301)
Adjustments for:		
Finance costs	<b>4,081,969</b>	4,091,833
Share-based payment expense	<b>249,000</b>	650,000
Allowance for doubtful debts	<b>48,005</b>	–
Loss on dissolution of an associate	<b>18,444</b>	–
Depreciation of property, plant and equipment	<b>725,803</b>	1,008,306
Amortisation of trading rights	<b>271,430</b>	271,430
Loss on disposal of property, plant and equipment	–	80,202
Gain on disposal of other intangible assets	<b>(115,460)</b>	–
Operating cash flows before movements in working capital	<b>(10,854,642)</b>	(16,634,530)
(Increase)/decrease in account receivables	<b>(19,042,884)</b>	10,184,892
Decrease/(increase) in other receivables, deposits and prepayments	<b>6,472,630</b>	(21,417,212)
(Increase)/decrease in bank balances		
– trust and segregated accounts	<b>(28,738,302)</b>	17,116,076
Increase/(decrease) in account payables	<b>41,939,074</b>	(26,714,890)
Increase/(decrease) in other payables and accrued charges	<b>1,311,668</b>	(2,514,339)
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<b>(8,912,456)</b>	(39,980,003)
<b>INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	<b>(21,715)</b>	(315,731)
Proceeds from disposal of property, plant and equipment	–	9,281
Net proceeds from disposal of other intangible assets	<b>615,460</b>	–
Refund of statutory deposits for financial services business	–	100,000
Advance to an associate	<b>(2,600)</b>	–
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES</b>	<b>591,145</b>	(206,450)

# Consolidated Cash Flow Statement

For the year ended 31 December 2006

	2006 <i>HK\$</i>	2005 <i>HK\$</i>
<b>FINANCING ACTIVITIES</b>		
Interest paid for obligations under finance lease	<b>(16,090)</b>	(16,090)
Repayments of obligations under finance lease	<b>(85,802)</b>	(85,802)
Increase in amount due to directors	<b>16,956,161</b>	10,569,306
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>16,854,269</b>	10,467,414
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>8,532,958</b>	(29,719,039)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>3,899,350</b>	33,618,389
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<b>12,432,308</b>	3,899,350
<b>ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS</b>		
Bank balances (general accounts) and cash	<b>12,432,308</b>	3,899,350