



## Consolidated Cash Flow Statement

For the Year Ended 31 December 2005

	2005 HK\$'000	2004 HK\$'000 (as restated)
<b>OPERATING ACTIVITIES</b>		
Loss before tax	<b>(255,870)</b>	(103,047)
Adjustments for:		
Finance costs	<b>13,197</b>	10,837
Share of result of an associate	<b>(10,493)</b>	(10,388)
Share of results of jointly controlled entities	<b>(13,860)</b>	(31,028)
Share-based payment expense	<b>15,720</b>	8,774
Impairment loss recognised on accounts receivable	<b>1,818</b>	2,940
Impairment loss recognised on inventories	<b>5,084</b>	6,708
Amortisation of intangible assets	–	2,668
Depreciation	<b>99,944</b>	98,513
Released of prepaid lease payments charged to income statement	<b>471</b>	536
Interest income	<b>(186)</b>	(741)
(Gain) loss on disposal of property, plant and equipment	<b>(70)</b>	19
Increase in fair value of investment properties	<b>(8,263)</b>	(4,515)
Impairment loss recognised on property, plant and equipment	<b>123,671</b>	–
Impairment loss recognised on intangible assets	–	9,750
Impairment loss recognised on golf club membership	–	400
Operating cash flows before movements in working capital	<b>(28,837)</b>	(8,574)
Decrease (increase) in inventories	<b>3,208</b>	(24,201)
Increase in trade and bills receivables	<b>(22,005)</b>	(6,946)
Decrease (increase) in other receivables	<b>2,202</b>	(451)
(Decrease) increase in trade and bills payables	<b>(20,536)</b>	96,276
Decrease in other payables and accruals	<b>(4,446)</b>	(37,572)
(Decrease) increase in amount due to an associate	<b>(11,730)</b>	9,048
Cash (used in) generated from operations	<b>(82,144)</b>	27,580
Hong Kong Profits Tax paid	<b>(275)</b>	(688)
Interest paid	<b>(13,197)</b>	(10,837)
<b>NET CASH (USED IN) FROM OPERATING ACTIVITIES</b>	<b>(95,616)</b>	16,055
<b>INVESTING ACTIVITIES</b>		
Purchases of property, plant and equipment	<b>(10,606)</b>	(49,531)
Decrease in pledged bank deposits	<b>17,493</b>	121,278
Increase in non-pledged time deposits	<b>(28,868)</b>	–
Additions to intangible assets	–	(2,905)
Investments in jointly controlled entities	–	(28,302)
(Increase) decrease in amount due from a jointly controlled entity	<b>(626)</b>	186
Dividend received from a jointly controlled entity	<b>10,000</b>	5,000
Interest received	<b>186</b>	741
Proceeds from disposal of property, plant and equipment	<b>729</b>	497
<b>NET CASH (USED IN) FROM INVESTING ACTIVITIES</b>	<b>(11,692)</b>	46,964



## Consolidated Cash Flow Statement

For the Year Ended 31 December 2005

	2005 HK\$'000	2004 HK\$'000 (as restated)
<b>FINANCING ACTIVITIES</b>		
New bank loans raised	<b>13,470</b>	24,954
Proceed from sale and leaseback transaction	<b>5,000</b>	–
Proceeds from issue of shares, net of share issue expenses	–	3,074
Repayment of obligations under finance leases	<b>(34,117)</b>	(38,283)
Decrease in trust receipt loans	<b>(5,101)</b>	(30,201)
Repayment of bank loans	<b>(20,173)</b>	(23,731)
Dividend paid to minority shareholders	–	(600)
Loan from a related company	<b>83,419</b>	–
Loan from a shareholder	<b>24,700</b>	–
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<b>NET CASH FROM (USED IN) FINANCING ACTIVITIES</b>	<b>67,198</b>	(64,787)
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<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(40,110)</b>	(1,768)
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<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>64,062</b>	65,830
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<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<b>23,952</b>	64,062
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<b>ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS</b>		
Bank balances and cash	<b>31,675</b>	64,062
Bank overdrafts	<b>(7,723)</b>	–
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	<b>23,952</b>	64,062
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