

Consolidated Cash Flow Statement

FOR THE YEAR ENDED 31 DECEMBER 2005

	<i>Note</i>	2005 HK\$'000	2004 HK\$'000
Cash flow from operating activities			
Loss before income tax		(5,248)	(7,107)
Adjustments for:			
Depreciation		234	35
Finance costs		25	7
Loss on disposal of property, plant and equipment		62	10
Impairment loss recognised in respect of available-for-sale financial assets/investments in securities		2,043	3,808
Operating loss before working capital changes		(2,884)	(3,247)
Increase in financial assets at fair value through profit or loss		(3,096)	—
Decrease/(Increase) in prepayment, deposits paid and other receivables		1,977	(1,780)
(Decrease)/Increase in other payables		(2,093)	1,004
Increase/(Decrease) in amounts due to directors		295	(125)
Cash used in operations		(5,801)	(4,148)
Interest paid		(25)	(2)
Net cash used in operating activities		(5,826)	(4,150)
Cash flow from investing activities			
Acquisition of a subsidiary	29	3	—
Purchases of investments in available-for-sale financial assets/investments in securities		—	(3,564)
Proceeds from sale of available-for-sale financial assets		500	—
Purchases of property, plant and equipment		(1,258)	(209)
Proceeds from disposal of property, plant and equipment		970	12
Net cash generated from/(used in) investing activities		215	(3,761)
Cash flow from financing activities			
Net proceeds from issue of shares		4,689	5,859
Capital element of finance lease payments		(66)	(9)
Interest element of finance lease payments		—	(5)
Decrease/(Increase) in pledged deposit		1,000	(1,000)
Net cash from financing activities		5,623	4,845
Net increase/(decrease) in cash and cash equivalents		12	(3,066)
Cash and cash equivalents at 1 January		40	3,106
Cash and cash equivalents at 31 December		52	40