

UNAUDITED CONSOLIDATED CASH FLOW STATEMENT

	Six months ended 30 June 2006 HK\$'000	For the year ended 31 December 2005 HK\$'000
OPERATING ACTIVITIES		
Loss before taxation	(2,868)	(1,175)
Adjustments for:		
Interest expenses	1,682	1,350
Interest income	(1)	(1)
Depreciation	24	49
Amortisation of land lease prepayment	172	238
Reversal of impairment loss on land lease prepayment	(172)	(4,438)
Loss on write-off assets of a subsidiary	-	2
OPERATING LOSS BEFORE CHANGES IN WORKING CAPITAL	(1,163)	(3,975)
Decrease in inventories	-	-
Decrease in prepayments, deposits and other receivable	31	1
Decrease / (increase) in trade receivables	50	(50)
Increase in other payables and accruals	2,238	242
Increase / (decrease) in rental received in advance	50	(50)
Increase in provision for long service payment	-	3
CASH GENERATED FROM / (USED IN) OPERATIONS	1,206	(3,829)
Interest received	1	1
Interest paid	(1,682)	(1,350)
Tax refund	-	27
Tax paid	-	(54)
NET CASH USED IN OPERATING ACTIVITIES	(475)	(5,205)
INVESTING ACTIVITIES		
Net proceeds from sale of fixed assets	-	-
NET CASH FROM INVESTING ACTIVITIES	-	-

INTERIM REPORT 2006

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FINANCING ACTIVITIES		
Issue of share capital	–	7,525
Share issue expenses	(23)	(458)
Repayment to a related party	–	–
Repayment to the ultimate holding company	–	–
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NET CASH (USED IN) / FROM FINANCING ACTIVITIES	(23)	7,067
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NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(498)	1,862
CASH AND CASH EQUIVALENTS AT 1 JANUARY	(1,603)	(3,465)
EFFECT OF FOREIGN EXCHANGE RATES CHANGES	–	–
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CASH AND CASH EQUIVALENTS AT END OF THE PERIOD/YEAR (Note 13)	(2,101)	(1,603)
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