

# Consolidated Cash Flow Statement

For the year ended 31 December 2006

Notes	2006 HK\$'000	2005 HK\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before income tax	(138,911)	(23,273)
Adjustments for:		
Interest income	(22)	(1)
Loss on write-off of property, plant and equipment	—	1,990
Loss on write-off of intangible asset	—	5,208
Loss/(gain) arising from changes in fair value less estimated point-of-sale costs of biological assets	3,912	(6,615)
Amortisation of leasehold land and land use rights	2,565	2,489
Depreciation	95	432
Impairment on receivables	28,607	6,737
Provision for impairment of property, plant and equipment	—	3,024
Finance costs	154	847
Operating loss before working capital changes	(103,600)	(9,162)
(Increase)/decrease in inventories	(3)	1
Decrease/(increase) in biological assets	413	(32)
Increase in trade and other receivable	(12,100)	(8,527)
Decrease in cash balance at PRC Trust Co-operative Union	7	276
Increase/(decrease) in trade and other payable	19,763	(2,630)
Increase in provisions	101,537	—
Cash generated from/(used in) operations	6,017	(20,074)
Interest paid	(154)	(847)
<b>NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>5,863</b>	<b>(20,921)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	22	1
Purchase of property, plant and equipment	(49)	(4)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(27)</b>	<b>(3)</b>

# Consolidated Cash Flow Statement

For the year ended 31 December 2006

	Notes	2006 HK\$'000	2005 HK\$'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of other borrowings		(4,642)	(11,500)
Proceeds from issue of share capital	26(a)	—	14,000
New loan raised		—	16,228
Repayment of bank borrowing		(229)	(240)
<b>NET CASH (USED IN)/GENERATED FROM FINANCING ACTIVITIES</b>		<b>(4,871)</b>	18,488
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>965</b>	(2,436)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>		<b>248</b>	2,051
<b>CHANGES IN EXCHANGE RATES</b>		<b>559</b>	633
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>1,772</b>	248
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances		1,772	248

