

# BALANCE SHEET

AS AT 31 DECEMBER 2006

|   | Note | 2006<br>HK\$'000 | 2005<br>HK\$'000<br>(Restated) |
|---|------|------------------|--------------------------------|
| <b>Non-current assets</b>   |      |                  |                                |
| Property, plant and equipment   | 15   | 43               | 141                            |
| Interests in subsidiaries   | 17   | –                | 8,007                          |
|   |      | <b>43</b>        | 8,148                          |
| <b>Current assets</b>   |      |                  |                                |
| Other receivables   | 19   | 178              | 178                            |
| Financial assets at fair value through profit or loss                         | 20   | 272              | 204                            |
| Due from subsidiaries   | 17   | 13,390           | –                              |
| Cash and cash equivalents   | 21   | 218              | 10,939                         |
|   |      | <b>14,058</b>    | 11,321                         |
| <b>Current liabilities</b>  |      |                  |                                |
| Other payables  | 22   | 5,139            | 5,562                          |
| Due to a subsidiary   | 17   | 1,796            | –                              |
| Other borrowing   | 23   | 1,444            | 1,244                          |
| Convertible note  | 24   | 26,544           | 25,663                         |
| Provisions  | 25   | 17,402           | 19,230                         |
|   |      | <b>52,325</b>    | 51,699                         |
| <b>Net current liabilities</b>  |      | <b>(38,267)</b>  | (40,378)                       |
| <b>Net liabilities</b>  |      | <b>(38,224)</b>  | (32,230)                       |
| <b>Capital and reserves attributable to the equity holders of the Company</b> |      |                  |                                |
| Share capital   | 26   | 19,078           | 19,078                         |
| Reserves  | 27   | (57,302)         | (51,308)                       |
| <b>Total equity</b>   |      | <b>(38,224)</b>  | (32,230)                       |

On behalf of the Board

Wu Kwai Yung  
Director

Zhao Tie Liu  
Director