

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2005

	NOTES	2005 HK\$'000	2004 HK\$'000
Operating activities			
Profit before taxation		388,452	357,282
Adjustments for			
Depreciation of property, plant and equipment		2,389	2,177
Write-down of inventories		26,021	3,598
Write-down of ginseng crops		17,363	—
Interest income		(8,248)	(12,696)
Finance costs		112,945	102,604
Share-based payments		3,611	—
Impairment loss on goodwill		1,343	—
Net income recognised in respect of goodwill and discount on acquisition		—	(12,023)
Gain on disposal of interest in an infrastructure joint venture	31	(252)	—
Gain on disposal of investment in listed equity securities		—	(1,322)
Impairment loss on non-current assets held for sale		1,578	—
Change in fair value of inventories at the point of harvest		20,480	9,980
Change in fair value of derivative financial instruments		(7,800)	—
Realised gain on derivative financial instruments		(2,655)	(6,618)
Share of results of joint ventures		(596,428)	(509,819)
Gain on disposal of property, plant and equipment		(63)	(79)
Operating cash flows before movements in working capital		(41,264)	(66,916)
Increase in inventories and ginseng crops		(21,015)	(18,625)
Decrease in debtors, deposits and prepayments		7,699	83,549
Increase (decrease) in creditors and accrued charges		83,398	(724)
Net cash generated from (used in) operating activities		28,818	(2,716)
Investing activities			
Interest received		10,180	10,784
Dividends received from infrastructure joint ventures		230,596	321,802
Proceeds on redemption of available-for-sale investment		7,800	—
Proceeds on disposal of derivative financial instruments		61,630	631,309
Proceeds on disposal of property, plant and equipment		178	581
Proceeds on disposal of infrastructure joint venture		74,490	—
Purchases of property, plant and equipment		(5,309)	(27,040)
Purchases of derivative financial instruments		(59,442)	(623,369)
Additional investments in joint ventures		(755,675)	(10,756)
Reduction of cost of investments in infrastructure joint ventures		542,767	391,997
Increase in properties under development for sale		(172,930)	(191,752)
Increase in prepaid land leases		(825,811)	(76,934)
Decrease in pledged deposits		44,223	11,574
Net cash (used in) generated from investing activities		(847,303)	438,196

	NOTES	2005 HK\$'000	2004 HK\$'000
Financing activities			
New loans raised		449,665	1,593,695
Repayment of loans		(438,906)	(699,044)
Issue of ordinary shares		24,878	10,226
Interest paid		(114,676)	(95,304)
Dividends paid		(206,193)	(152,246)
Net cash (used in) generated from financing activities		(285,232)	657,327
Net (decrease) increase in cash and cash equivalents		(1,103,717)	1,092,807
Cash and cash equivalents at beginning of the year		1,524,891	431,833
Effect of foreign exchange rate changes		18	251
Cash and cash equivalents at end of the year		421,192	1,524,891
Represented by:			
Bank balances and cash		421,192	1,524,891