

# Consolidated Cash Flow Statement

For the Year Ended 31 December 2005

	<b>2005</b> <b>HK\$'000</b>	2004 HK\$'000 (restated)
<b>Operating activities</b>		
Profit before taxation	<b>31,515</b>	75,003
Adjustments for:		
Finance costs	<b>3,163</b>	195
Depreciation	<b>6,674</b>	4,040
Amortisation of goodwill of an associate	–	529
Amortisation of goodwill of subsidiaries	–	1,421
(Gain) loss on disposal of property, plant and equipment	<b>(30)</b>	262
Gain on disposal of held-for-trading investments/other investments	<b>(335)</b>	(932)
Decrease (increase) in fair value of held-for-trading investments/other investments	<b>3,186</b>	(4,550)
Dividend income from held-for-trading investments/other investments	<b>(2,534)</b>	(1,396)
Share of results of jointly controlled entities	<b>(63,451)</b>	(173,423)
Share of results of associates	<b>(1,655)</b>	(1,433)
Interest on bank deposits	<b>(101)</b>	(171)
Interest on finance lease receivables	<b>(174)</b>	–
Interest on other receivables	–	(27)
Write-off of negative goodwill arising upon conversion of preference shares	–	(385)
Operating cash flows before movements in working capital	<b>(23,742)</b>	(100,867)
Decrease in amounts due from customers for contract work	<b>11,820</b>	10,811
(Increase) decrease in debtors, deposits and prepayments	<b>(44,039)</b>	78,487
Increase (decrease) in amounts due to customers for contract work	<b>6,126</b>	(8,809)
Decrease in creditors and accrued charges	<b>(31,064)</b>	(8,888)
Decrease in other payable	–	(70,000)
Cash used in operations	<b>(80,899)</b>	(99,266)
Interest on bank deposits received	<b>101</b>	171
Interest on other receivables received	–	27
Income taxes paid	<b>(3,740)</b>	(27,234)
<b>Net cash used in operating activities</b>	<b>(84,538)</b>	(126,302)

# Consolidated Cash Flow Statement

For the Year Ended 31 December 2005

	2005 HK\$'000	2004 HK\$'000 (restated)
<b>Investing activities</b>		
Dividend received from held-for-trading investments/other investments	2,534	1,396
Distribution of profits from jointly controlled entities	81,673	171,356
Proceeds from disposal of property, plant and equipment	192	2,409
Advances to associates	(15,784)	(2,446)
(Loans to) repayment from jointly controlled entities	(9,510)	7,597
Purchases of property, plant and equipment	(1,216)	(7,300)
Expenditure on property and plant under construction	(7,525)	–
Purchases of available-for-sale investments	(3,016)	–
Purchases of held-for-trading investments/other investments	(10,399)	(45,747)
Increase in investment in an associate	(4)	–
Acquisition of a subsidiary (Note 38)	(5,658)	–
Increase in finance lease receivables	(3,556)	–
Repayment of finance lease receivables	2,356	–
Capital contribution to jointly controlled entities	(11,826)	–
Capital contribution from minority shareholders	1,834	–
Decrease in pledged bank deposits	12,351	35,456
Proceeds from disposal of held-for-trading investments/other investments	6,782	4,421
Advances to intermediate holding company	(1,093)	–
Repayment by fellow subsidiaries	1,363	5,030
Repayment by immediate holding company	–	3,490
<b>Net cash from investing activities</b>	<b>39,498</b>	<b>175,662</b>
<b>Financing activities</b>		
New bank loans raised	62,000	20,000
Other borrowings raised	28,302	–
(Repayment to) advances from intermediate holding company	(3,710)	3,710
Repayment to jointly controlled entities	(23,700)	(4,932)
Advances from fellow subsidiaries	225	385
Repayment of bank loans	–	(16,000)
Dividends paid to minority shareholders	–	(1,350)
Interest paid	(2,271)	(195)
Repayment to immediate holding company	–	(8,811)
<b>Net cash from (used in) financing activities</b>	<b>60,846</b>	<b>(7,193)</b>
<b>Net increase in cash and cash equivalents</b>	<b>15,806</b>	<b>42,167</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>51,848</b>	<b>13,223</b>
<b>Effect of foreign exchange rate changes, net</b>	<b>(1,367)</b>	<b>(3,542)</b>
<b>Cash and cash equivalents at the end of the year represented by bank balances and cash</b>	<b>66,287</b>	<b>51,848</b>