

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2005

(Expressed in Hong Kong dollars)

<i>Note</i>	2005 '000	2004 '000
Operating activities		
Profit before taxation	\$110,740	\$134,038
Adjustments for:		
— Interest income	(7,342)	(502)
— Finance costs	19,060	9,060
— Gain on disposal of subsidiaries	—	(6,432)
— Depreciation and amortisation	26,165	25,355
— Loss on disposal of property, plant and equipment	93	604
Operating cash flows before changes in working capital	\$148,716	\$162,123
Increase in inventories — consumable parts	(85)	(136)
Decrease/(increase) in trade and other receivables	25,799	(9,633)
(Decrease)/increase in trade and other payables	(27,769)	1,933
(Decrease)/increase in deferred revenue	(65,785)	398,780
Exchange differences	(5,843)	—
Cash generated from operations	\$75,033	\$553,067
PRC Enterprises Income Tax paid	(14,309)	(3,844)
Net cash generated from operating activities	\$60,724	\$549,223
Investing activities		
Disposal of investments in subsidiaries (net of cash and cash equivalents disposed of)	\$—	\$(62,338)
Additions of property, plant and equipment	(24,351)	(24,124)
Decrease/(increase) in pledged bank deposit	7,923	(7,923)
Acquisition of subsidiaries (net of cash and cash equivalents acquired)	(3,468)	83,829
29		
Repayment of amount due from a related company	8,171	37,878
Interest received	7,342	502
Proceeds from disposal of property, plant and equipment	341	191
Purchase of intangible assets	(935)	—
Net cash (used in)/generated from investing activities	\$(4,977)	\$28,015

CONSOLIDATED CASH FLOW STATEMENT (Continued)

for the year ended 31 December 2005

(Expressed in Hong Kong dollars)

	2005 '000	2004 '000
Financing activities		
Repayment of bank loans	\$(160,174)	\$(113,064)
Repayment of loans due to related companies	(103,533)	(94,651)
Interest paid	(6,094)	(9,060)
New bank loans raised	—	113,064
Advances from related companies	—	2,535
Dividend paid	(26,200)	—
Proceeds from issue of new shares	97,385	—
Net cash used in financing activities	\$(198,616)	\$(101,176)
Net (decrease)/increase in cash and cash equivalents	\$(142,869)	\$476,062
Cash and cash equivalents at beginning of the year	497,369	21,446
Effect of foreign exchange rate changes	(266)	(139)
Cash and cash equivalents at end of the year	\$354,234	\$497,369

The notes on pages 43 to 95 form part of these financial statements.