

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st December, 2005

	2005 <i>HK\$'000</i>	2004 <i>HK\$'000</i>
OPERATING ACTIVITIES		
Loss before taxation	(75,000)	(14,580)
Adjustments for:		
Finance costs	11,572	10,393
Share of loss of an associate	41,421	389
Amortisation of goodwill of an associate	–	1,156
Share of profit of a jointly controlled entity	(4,332)	(4,032)
Gain on deemed disposal of a subsidiary	–	(8,279)
Interest income	(840)	(487)
Loss (gain) on revaluation of investment properties	5,000	(6,216)
(Gain) loss arising from fair value change in respect of investments held for trading/investments in securities	(1,580)	8,281
Depreciation of property, plant and equipment	19,558	10,686
Loss on disposal of property, plant and equipment	1,665	1,174
Impairment loss on short-term loans receivable	2,078	3,000
Impairment loss on intangible asset	–	248
Amortisation of trading right	90	90
Amortisation of goodwill	–	59
Amortisation of prepaid lease payment	846	846
Impairment loss recognised in respect of goodwill	582	–
Impairment loss recognised in respect of goodwill of an associate	8,673	–
Impairment loss on interest receivable	1,963	–
Loss on disposal of investment held for trading	6,717	–
Release of negative goodwill	–	(2,101)
Operating cash flows before movements in working capital	18,413	627
Decrease in other assets	25	–
(Increase) decrease in inventories	(4,181)	263
Increase in investments in securities	–	(2,650)
Increase in trade receivables, other receivables and prepayments	(4,351)	(499)
Decrease in short-term loans receivable	5,867	25,404
Increase in trade and other payables	24,750	16,023
Decrease in amount to a minority shareholder of a subsidiary	–	(3,316)
Cash from operations	40,523	35,852
Interest paid	(11,572)	(6,118)
Hong Kong Profits Tax refunded (paid)	74	(170)
NET CASH FROM OPERATING ACTIVITIES	29,025	29,564

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st December, 2005

	<i>Notes</i>	2005 HK\$'000	2004 HK\$'000 (restated)
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(17,485)	(90,765)
Increase in pledged deposits		(9,615)	–
Purchase of investments held for trading		(14)	–
Dividend received from a jointly controlled entity		4,682	4,304
Proceeds from disposal of property, plant and equipment		3,785	304
Proceeds from disposal of investments held for trading		3,051	–
Interest received, other than from investments		840	487
Deposits paid for acquisition of property, plant and equipment		–	(63,049)
Payment for deferred cash consideration on acquisition of subsidiaries in prior year		–	(20,000)
Acquisition of subsidiaries	40	–	(5,230)
Payments of improvement works		–	(418)
NET CASH USED IN INVESTING ACTIVITIES		(14,756)	(174,367)
FINANCING ACTIVITIES			
Repayment of convertible bonds		(70,000)	–
Repayment to minority shareholders of subsidiaries		(63,979)	–
Repayment of borrowings		(58,249)	(58,224)
Borrowings raised		117,780	212,431
NET CASH (USED IN) FROM FINANCING ACTIVITIES		(74,448)	154,207
DECREASE IN CASH AND CASH EQUIVALENTS		(60,179)	9,404
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		(1,231)	(3)
CASH AND CASH EQUIVALENTS BROUGHT FORWARD		86,914	77,513
CASH AND CASH EQUIVALENTS CARRIED FORWARD, represented by bank balances and cash		25,504	86,914