

## Consolidated Cash Flow Statement

For the Year Ended 31st December, 2005

	2005 <i>HK\$'000</i>	2004 <i>HK\$'000</i>
<b>OPERATING ACTIVITIES</b>		
Profit before taxation	63,085	306,958
Adjustments for:		
Finance costs	7,419	2,977
Share of losses (profits) of associates	222	(51,281)
Loss (gain) on investments in securities	1,814	(829)
Negative goodwill released to income	–	(13,332)
Increase in fair value of investment properties	(13,800)	(215,354)
Loss on disposal of property, plant and equipment	586	–
Depreciation of property, plant and equipment	13,922	5,708
Amortisation of prepaid lease payments for land	12,194	10,818
Discount on acquisition of subsidiaries	(13,505)	–
Interest on bank deposits	(1,425)	(24)
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Operating cash flows before movements in working capital	70,512	45,641
(Increase) decrease in inventories	(345)	9
Decrease in properties for sale	67,657	66,142
Decrease in investments in trading securities	–	1,183
Decrease (increase) in trade and other receivables	87,882	(98,612)
Increase in deposits and prepayments	(1,301)	(456)
Increase in trade balance due from a shareholder	(190)	(227)
Increase in trade balance due from an associate	(8)	(6)
Increase (decrease) in trade and other payables	5,868	(1,541)
Increase (decrease) in rental and other deposits received	20	(567)
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Cash generated from operations	230,095	11,566
Hong Kong Profits Tax paid	(14,132)	(1,581)
Hong Kong Profits Tax refunded	1,179	781
Interest received	1,425	24
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<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>218,567</b>	<b>10,790</b>
<b>INVESTING ACTIVITIES</b>		
Additions to property, plant and equipment	(22,716)	(147,505)
Additions to investment properties	–	(35,080)
Additions to prepaid lease payments for land	–	(214,752)
Acquisition of subsidiaries ( <i>note 33</i> )	(221,654)	–
Deposit for acquisition of assets	–	(20,000)
Proceeds from disposal of investment properties	180,000	282,434
Proceeds from disposal of property, plant and equipment	–	109
Expenditure on property under development	(9,438)	(17,273)
Partial disposal of interest in a subsidiary	–	219
Dividend received from an associate	–	56,800
Repayment from an associate	–	87,055
Decrease (increase) in pledged bank deposits	22	(19)
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<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(73,786)</b>	<b>(8,012)</b>

## Consolidated Cash Flow Statement (Continued)

For the Year Ended 31st December, 2005

	2005 <i>HK\$'000</i>	2004 <i>HK\$'000</i>
<b>FINANCING ACTIVITIES</b>		
New bank loans raised	<b>114,640</b>	304,000
Repayment of bank loans	<b>(276,920)</b>	(178,599)
Advances from a shareholder	<b>794</b>	–
Repayment of advances from a shareholder	–	(1,525)
Dividend paid	<b>(2,965)</b>	–
Interest paid	<b>(11,603)</b>	(5,642)
Proceeds from disposal of own shares	–	918
Dividend paid to minority shareholders	<b>(2,523)</b>	–
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<b>NET CASH (USED IN) FROM FINANCING ACTIVITIES</b>	<b>(178,577)</b>	119,152
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<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(33,796)</b>	121,930
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<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>134,072</b>	12,142
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<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<b>100,276</b>	134,072
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<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>		
Bank balances and cash	<b>100,399</b>	134,217
Less: Pledged bank deposits	<b>(123)</b>	(145)
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	<b>100,276</b>	134,072
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