

CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 December 2005

	Notes	2005 HK\$'000	2004 HK\$'000 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) before tax:			
From continuing operations		9,093	15,907
From a discontinued operation	12	(1,960)	(26)
Adjustments for:			
Share of losses of associates		9,140	4,620
Finance costs	6	11,059	6,621
Surplus arising from revaluation of land and buildings	14	(5,261)	(5,826)
Fair value adjustment on properties held for resale	21	(2,914)	–
Amortisation of goodwill	7	–	125
Depreciation	7	1,475	2,302
Provision for impairment of goodwill		–	1,634
Provision for impairment of interest in an associate		–	1,400
Provision for impairment of other assets	7	938	–
Provision/(write-back of provision) for bad and doubtful debts	7	(5,484)	5,245
Provision/(write-back of provision) for obsolete inventories	7	2,790	(83)
Gain on disposal of items of property, plant and equipment		(32)	(24)
Gain on disposal of subsidiaries	5	(1,128)	–
Gain on disposal of equity investments at fair value through profit or loss		(16)	–
Fair value losses on equity investments at fair value through profit or loss	7	2,656	–
Unrealised holding losses on short term investments	7	–	1,352
Interest income	5	(1,317)	(161)
Operating profit before working capital changes		19,039	33,086
Increase in retention monies receivable over one year		(1,447)	(1,991)
Decrease/(increase) in inventories and construction contracts		18,826	(12,021)
Decrease/(increase) in trade and retention monies receivables		47,058	(66,193)
Decrease/(increase) in amounts due from related companies, net		408	(2,160)
Decrease/(increase) in prepayments, deposits and other receivables		(820)	3,257
Increase/(decrease) in trade and bills payables, other payables and accruals, and provision		(19,938)	1,898
Cash generated from/(used in) operations		63,126	(44,124)
Interest received		1,317	161
Interest paid		(11,059)	(6,621)
Hong Kong profits tax paid, net		(7,131)	(1,946)
Overseas taxes paid		(368)	(119)
Net cash inflow/(outflow) from operating activities – page 34		45,885	(52,649)

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Net cash inflow/(outflow) from operating activities – page 33		45,885	(52,649)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of items of property, plant and equipment	14	(573)	(295)
Proceeds from disposal of items of property, plant and equipment		206	63
Proceeds from disposal of equity investments at fair value through profit or loss		1,184	–
Disposal of subsidiaries	37	5,158	8
Net cash inflow/(outflow) from investing activities		5,975	(224)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of new shares	34	–	13,200
Share issue expenses	34	–	(338)
Increase/(decrease) in trust receipt loans		(33,681)	57,533
Dividend paid to a minority shareholder		(888)	–
Loan repayment to a minority shareholder		(184)	–
New bank loans		5,000	10,000
Repayment of bank loans		(5,000)	(6,737)
Net cash (outflow)/inflow from financing activities		(34,753)	73,658
NET INCREASE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at beginning of year		27,818	7,028
Effect of foreign exchange rate changes, net		(235)	5
CASH AND CASH EQUIVALENTS AT END OF YEAR		44,690	27,818
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	27	14,268	33,486
Non-pledged time deposits with original maturity of less than three months when acquired	27	55,834	29,292
Bank overdrafts	30	(25,412)	(34,960)
		44,690	27,818