

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER, 2005

NOTE	2005 HK\$'000	2004 HK\$'000 (restated)
OPERATING ACTIVITIES		
	(71,932)	84,447
(Loss) profit before tax		
Adjustments for:		
Allowance for inventories	45	178
Amortisation of goodwill	—	555
Amortisation of goodwill in an associate	—	166
Depreciation and amortisation	6,825	5,797
Fair value gain on investment properties	(52)	—
Finance costs	994	8,463
Gain on disposal of interests in subsidiaries	(5,289)	—
Gain on disposal of property, plant and equipment	(21)	—
Impairment loss in respect of interest in an associate	1,430	—
Impairment loss recognised in respect of trade and other receivables	521	1,369
Reversal of impairment loss recognised in respect of prepaid lease payments, and property, plant and equipment	—	(55,946)
Impairment loss arising from adjustment to fair value less costs to sell	74,879	—
Interest income	(5,789)	(1,055)
Reversal of impairment loss recognised in respect of trade and other receivables	(542)	(66)
Share of results of an associate	116	288
Operating cash flows before movements in working capital	1,185	44,196
Decrease (increase) in inventories	161	(957)
Decrease in trade and other receivables and deposits	43,403	9,369
Decrease in amounts due from customers for contract work	—	2
Decrease in amounts due to customers for contract work	(9,528)	(1,322)
Decrease in trade and other payables, rental deposits and guarantee money received	(3,389)	(4,260)
Decrease in amount due to ultimate holding company	—	(900)
Net cash generated from operations	31,832	46,128
Hong Kong Profits Tax paid	(365)	(2,205)
NET CASH FROM OPERATING ACTIVITIES	31,467	43,923
INVESTING ACTIVITIES		
Interest received	5,787	1,155
Purchase of investment properties	(16,948)	—
Purchase of property, plant and equipment	(362)	(733)
Proceeds from disposal of property, plant and equipment	21	—
Acquisition of an associate	—	(2,000)
Disposal of subsidiaries, net of cash and cash equivalent disposed of	525,217	—
Decrease in other loans receivable	—	4,875
Deposit paid for acquisition of subsidiaries	(10,000)	—
NET CASH FROM INVESTING ACTIVITIES	503,715	3,297

33

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER, 2005

	2005 HK\$'000	2004 HK\$'000
		(restated)
FINANCING ACTIVITIES		
Dividend paid	(1)	(80)
Interest paid	(4,172)	(10,222)
Repayment of borrowings	(338,046)	(31,876)
Repayment of obligations under a finance lease	(45)	—
CASH USED IN FINANCING ACTIVITIES	(342,264)	(42,178)
NET INCREASE IN CASH AND CASH EQUIVALENTS	192,918	5,042
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	12,863	7,821
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	205,781	12,863
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	205,781	12,863