

CONSOLIDATED CASH FLOW STATEMENT

For the Year ended 30 June 2006

	2006 HK\$'000	2005 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) profit for the year	(39,770)	224,543
Adjustments for:		
Depreciation of property, plant and equipment	4,681	2,993
Finance costs	40,154	64,083
Interest income	(152)	(47)
Loss arising from issuance of option derivatives	9,850	–
Gain arising on change in fair value of investment properties	(54,656)	–
Gain arising on change in fair value of the properties transferred from properties held for sale to investment properties	(5,900)	–
Gain arising from change in fair value of option derivatives	(740)	–
Release of investment property revaluation reserve upon sales of properties held for sale	–	(100,803)
Reversal of impairment loss previously recognised in respect of leasehold properties	–	(52,450)
Reversal of impairment loss previously recognised in respect of club debenture	–	(2,500)
Impairment loss recognised in respect of investment securities	–	2,978
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Operating cash flows before movements in working capital	(46,533)	138,797
Decrease in properties under development	–	83,383
Decrease (increase) in property sale receivables	383,201	(383,201)
Decrease (increase) in receivable from stakeholder's account	21,923	(21,923)
(Increase) decrease in other receivables, deposits and prepayments	(1,504)	18
(Decrease) increase in other payables and accrued charges	(233,325)	207,928
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NET CASH FROM OPERATING ACTIVITIES	123,762	25,002
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	152	47
Purchase of property, plant and equipment	(122)	(35)
(Increase) decrease in pledged bank deposits	(16,961)	7,448
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NET CASH (USED IN) FROM INVESTING ACTIVITIES	(16,931)	7,460
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CONSOLIDATED CASH FLOW STATEMENT (Cont'd)

For the Year ended 30 June 2006

	2006 <i>HK\$'000</i>	2005 <i>HK\$'000</i>
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(11,053)	(33,614)
Other loans raised	18,080	99,609
Repayment of other loans	(251,269)	–
Bank borrowings raised	1,295,473	21,267
Repayment of bank borrowings	(1,114,426)	(131,618)
(Repayment to) advance from directors of subsidiaries	(33,554)	11,128
	<u>(96,749)</u>	<u>(33,228)</u>
NET CASH USED IN FINANCING ACTIVITIES		
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
	10,082	(766)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		
	<u>234</u>	<u>1,000</u>
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		
	<u>10,316</u>	<u>234</u>
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	<u>10,316</u>	<u>234</u>