

# Consolidated Cash Flow Statement

For the Period from 1 August 2005 to 31 December 2006

	Notes	01.08.2005 To 31.12.2006 HK\$'000	01.08.2004 To 31.07.2005 (As restated) HK\$'000
<b>Cash flows from operating activities</b>			
Profit (loss) for the period/year		<b>68,151</b>	(132,482)
Adjustments for:			
Taxation		<b>7,211</b>	3,122
Finance costs		<b>9,121</b>	3,136
Interest income		<b>(1,360)</b>	(565)
Dividend income		<b>(100)</b>	–
Share of (profits) losses of associates of a jointly controlled entity		<b>(1,981)</b>	2,321
Impairment loss of goodwill and other intangible assets		–	6,694
Impairment loss of interest in an associate		–	442
Impairment of property, plant and equipment		–	4,145
Reversal of impairment of property, plant and equipment		–	(287)
Impairment losses of investment securities		–	118,223
Impairment losses of available-for-sale financial assets		<b>4,758</b>	–
Reversal of impairment of bad and doubtful debts/ impairment of bad and doubtful debts		<b>(2,304)</b>	17,921
Others and provision for obsolete and slow moving inventories		<b>(4)</b>	489
Depreciation of property, plant and equipment		<b>10,315</b>	7,872
Amortisation of leasehold land and land use rights		<b>140</b>	210
Release of convertible notes reserve upon redemption of convertible notes		<b>(177)</b>	–
Loss on disposal of property, plant and equipment and leasehold land and land use rights		<b>886</b>	5,962
Loss (gain) on disposal/partial disposal of a subsidiary	38(b)	<b>1,270</b>	(5,000)
Gain on disposal of investment securities		–	(575)
Gain on disposal of discontinued operations	38(c)	<b>(3,090)</b>	–
Gain on disposal of an associate of a jointly controlled entity		<b>(7,240)</b>	–
Gain on disposal of available-for-sale financial assets		<b>(251)</b>	–
Changes in fair values of short term listed investments		–	9,297
Fair value changes of financial assets at fair value through profit or loss		<b>(23,404)</b>	–
Net gains on waiver of other loans		<b>(7,749)</b>	–
Reversal of impairment loss of investment securities		–	(2,369)
		<b>54,192</b>	38,556
<b>Changes in working capital:</b>			
Increase in short term listed investments		–	(9,894)
Decrease in financial assets at fair value through profit or loss		<b>3,988</b>	–
Decrease in inventories		<b>4,327</b>	1,045
Decrease (increase) in deposits, trade and other receivables		<b>3,587</b>	(96,992)
Increase (decrease) in trade and other payables		<b>47,830</b>	(18,617)
		<b>113,924</b>	(85,902)
<b>Cash generated from/(used in) operations</b>			
Taxation refunded/(paid)		<b>660</b>	(1,253)
		<b>114,584</b>	(87,155)
<b>Net cash generated from/(used in) operating activities</b>			

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	Notes	01.08.2005 To 31.12.2006 HK\$'000	01.08.2004 To 31.07.2005 (As restated) HK\$'000
<b>Cash flows from investing activities</b>			
Interest received		1,360	565
Dividend received		100	–
Purchases of property, plant and equipment and leasehold land and land use rights		(21,073)	(16,471)
Proceeds from disposal of property, plant and equipment and leasehold land and land use rights		6,302	5,159
Net cash inflow from disposal of discontinued operations	38(c)	69	–
Net cash outflow on acquisition of a subsidiary	38(a)	(40,800)	(6,000)
Proceeds from disposal of an associate of a jointly controlled entity		17,434	–
Proceeds from disposal/partial disposal of a subsidiary	38(b)	7,900	5,000
Acquisition of interest in an associate		–	(96)
Proceeds from disposal of investment securities		–	1,975
Proceeds from disposal of available-for-sale financial assets		670	–
Increase in amounts due from shareholders of a jointly controlled entity		–	(174)
<b>Net cash used in investing activities</b>		<b>(28,038)</b>	<b>(10,042)</b>
<b>Cash flows from financing activities</b>			
Interest paid		(9,081)	(2,614)
Cash inflow from shareholders of a jointly controlled entity		–	1,584
Net cash inflow from minority interests		594	–
New borrowings raised		14,088	2,415
Repayment of borrowings		(25,003)	(4,850)
Dividend paid to minority interests		(4,044)	–
Redemption of convertible notes		(4,000)	(32,000)
Proceeds from rights issue		–	51,209
Proceeds from exercise of share options		4,060	18,000
Proceeds from placing and issue of shares		64,800	25,000
Proceeds from issue of convertible notes		–	40,516
<b>Net cash generated from financing activities</b>		<b>41,414</b>	<b>99,260</b>
<b>Net increase in cash and bank overdraft</b>		<b>127,960</b>	<b>2,063</b>
<b>Cash and bank overdraft at beginning of the period/year</b>		<b>35,721</b>	<b>33,117</b>
<b>Effect of foreign exchange rate changes</b>		<b>1,736</b>	<b>541</b>
<b>Cash and bank overdraft at end of the period/year</b>	30	<b>165,417</b>	<b>35,721</b>

The notes on pages 36 to 113 are an integral part of these consolidated financial statements.