

CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 December 2006

	<i>Notes</i>	2006 <i>HK\$'000</i>	2005 <i>HK\$'000</i>
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		7,482	14,950
Adjustments for:			
Depreciation	6	8,944	7,795
Amortisation of deferred revenue	6	(1,852)	(400)
Recognition of prepaid land premiums	15	77	77
Finance costs	7	1,077	969
Dividend income from listed investments	5	(4,765)	(4,182)
Interest income	5	(25,478)	(19,130)
Share of profits and losses of associates		2,852	2,883
Fair value change/write-back of deficits on revaluation:			
Investment properties	6	(9,982)	(3,785)
Resort and recreational club properties	6	(2,563)	(2,612)
Write-back of accrued payables	6	(8,060)	(17,339)
Write-back of provision for loans to a then associate	6	—	(4,095)
Impairment of other receivables	6	4,480	1,936
Loss/(gain) on disposal of items of property, plant and equipment	6	66	(29)
Impairment of items of property, plant and equipment	6	—	242
Fair value losses/(gains), net:			
Available-for-sale equity investments (transfer from equity)	6	—	783
Equity investments at fair value through profit or loss	6	757	4,169
Derivative instruments - transactions not qualifying as hedges	6	(104)	—
Foreign exchange gains, net		(2,615)	(1,755)
		(29,684)	(19,523)
Increase in inventories		(2,561)	(1,010)
Decrease/(increase) in trade receivables		(1,596)	4,605
Increase in prepayments, deposits and other receivables		(2,458)	(3,454)
Decrease in trade and other payables		(1,105)	(11,021)
Decrease in amounts due from associates		—	641
Cash used in operations		(37,404)	(29,762)
Interest received		27,566	11,608
Dividends received from listed investments		4,765	1,899
Hong Kong profits tax refunded		—	7
Overseas taxes refunded		—	97
Net cash outflow from operating activities		(5,073)	(16,151)

CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)

Year ended 31 December 2006

	<i>Note</i>	2006 HK\$'000	2005 HK\$'000
Net cash outflow from operating activities		(5,073)	(16,151)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of items of property, plant and equipment		(9,070)	(8,230)
Purchases of equity investments at fair value through profit or loss		(15,262)	(12,915)
Increase in available-for-sale equity investments		—	(798)
Increase in an investment in an associate		—	(8,013)
Repayment of advances/(advances) to associates		(5,446)	4,077
Proceeds from disposal of items of property, plant and equipment		6	49
Proceeds from disposal of equity investments at fair value through profit or loss		8,629	9,304
Increase in non-pledged time deposits with original maturity of more than three months when acquired		(77,278)	(417,796)
Net cash outflow from investing activities		(98,421)	(434,322)
CASH FLOWS FROM FINANCING ACTIVITIES			
New bank loans		42,840	39,408
Repayment of bank loans		(37,550)	(42,118)
Redemption of debentures		(670)	(327)
Capital element of finance lease payments		(91)	(68)
Interest paid		(718)	(607)
Net cash inflow/(outflow) from financing activities		3,811	(3,712)
NET DECREASE IN CASH AND CASH EQUIVALENTS		(99,683)	(454,185)
Cash and cash equivalents at beginning of year		126,829	581,007
Effect of foreign exchange rate changes, net		2	7
CASH AND CASH EQUIVALENTS AT END OF YEAR		27,148	126,829
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	25	27,148	29,246
Non-pledged time deposits with original maturity of less than three months when acquired		—	97,583
		27,148	126,829