

CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 December 2006

	Notes	2006 HK\$'000	2005 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) before tax		35,128	(25,450)
Adjustments for:			
Finance costs	7	8,293	10,229
Share of profits and losses of associates		398	659
Share of profits and losses of jointly-controlled entities		(688)	264
Bank interest income	6	(1,563)	(737)
Loss on disposal of items of property, plant and equipment	6	249	69
Impairment of property, plant and equipment	6, 13	-	3,780
Imputed interest on interest-free trade and other receivables	5	(12,520)	(3,788)
Depreciation	6	14,036	14,418
Release of goodwill upon disposal of partial interests in subsidiaries	6	-	629
Amortisation of other intangible assets	6	3,119	2,311
Impairment of available-for-sale investments	6	811	99
Changes in fair value of investment properties	6, 14	(1,490)	4,900
Provision against an amount due from an associate	6	5,500	4,500
Equity-settled shared option expense	6	5,214	-
		56,487	11,883
Decrease in inventories		3,749	10,769
Increase in amounts due from customers for contract works		(4,829)	(1,903)
Decrease in properties held for sale		-	1,250
Decrease in trade and bills receivables		53,743	70,573
Decrease/(increase) in other receivables, prepayments and deposits		(43,838)	16,794
Increase/(decrease) in trade and bills payables		30,883	(35,971)
Increase in amounts due to customers for contract works		1,361	5,554
Increase in other payables and accruals		59,141	7,316
Cash generated from operations		156,697	86,265
Interest received		1,563	737
Interest paid		(8,917)	(9,606)
Hong Kong profits tax paid		(938)	(419)
Overseas (or Mainland China corporate income) taxes paid		(2,367)	(2,883)
Dividends paid to minority shareholders		(1,215)	(866)
Net cash inflow from operating activities		144,823	73,228

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Year ended 31 December 2006

	Notes	2006 HK\$'000	2005 HK\$'000
Net cash inflow from operating activities		144,823	73,228
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of items of property, plant and equipment	13	(21,911)	(7,259)
Proceeds from disposal of items of property, plant and equipment		537	102
Purchases of other intangible assets	16	(1,639)	(472)
Acquisition of subsidiaries	33	-	2,576
Balance payment for the acquisition of subsidiaries		-	(2,328)
Investment in jointly-controlled entities		(580)	(1,637)
Decrease in an amount due from a jointly-controlled entity		3,135	-
Investment in an associate		-	(2,358)
Increase in amounts due from an associate		(195)	(570)
Decrease/(increase) in pledged deposits		(17,569)	20,579
Net cash inflow/(outflow) from investing activities		(38,222)	8,633
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares	30	107,800	-
Share issue expenses	30	(3,839)	-
Increase in trust receipt loans		3,001	-
New bank loans		76,493	43,942
Repayment of bank loans		(104,659)	(130,419)
Advance from/(repayment to) an intermediate holding company		(50,000)	50,000
Advance from/(repayment to) minority shareholders		(190)	2,454
Net cash inflow/(outflow) from financing activities		28,606	(34,023)
NET INCREASE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at beginning of year		138,765	88,930
Effect of foreign exchange rate changes, net		7,080	1,997
CASH AND CASH EQUIVALENTS AT END OF YEAR		281,052	138,765
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances		281,052	146,833
Bank overdrafts	28	-	(8,068)
		281,052	138,765