

Consolidated Cash Flow Statement

For the year ended 31 December 2006 (in HK Dollars)

	2006 \$'000	2005 \$'000
Operating activities		
Loss from operations	(48,330)	(4,343)
Adjustments for:		
Interest income	(1,786)	(1,948)
Depreciation	1,325	1,017
Change in fair value of investment properties	24,700	(2,700)
Impairment loss on investment properties	1,800	–
Amortisation of intangible assets	881	–
Gain on disposal of property development project	(6,280)	–
Gain on disposal of investment properties	–	(1,450)
Share of profits of associates	(692)	–
Impairment loss on property under development	19,850	–
Provision for impairment of amount due from an associate	–	605
Other receivables waived	–	4,136
Operating loss before working capital changes	(8,532)	(4,683)
(Increase)/Decrease in accounts receivables, prepayments, deposits and other receivables	(2,796)	307
Increase in amount due from associates	(4,983)	–
(Decrease)/Increase in accounts payable, other payables and other payables	(4,657)	3,843
(Decrease)/Increase in amount due to ultimate holding company	(10,192)	2,550
(Decrease)/Increase in amount due to a director	(201)	50
Cash (used in)/generated from operations	(31,361)	2,067
Interest received	24	79
Tax paid	(172)	(200)
Other borrowing costs paid	(883)	(1,124)
Net cash (used in)/generated from operating activities	(32,392)	822

Consolidated Cash Flow Statement (Continued)

For the year ended 31 December 2006 (in HK Dollars)

	2006 \$'000	2005 \$'000
Investing activities		
Purchases of property, plant and equipment and properties under development	(605)	(1,709)
Proceeds from disposal of investment properties and other property, plant and equipment	309	37,582
Proceeds from sales of available-for-sales financial assets	55,000	–
Purchase of intangible assets	(37,000)	–
Increase in loan receivables	(13,995)	–
Proceeds from disposal of properties development projects	111,768	–
Interest received from loan receivables	1,786	–
Increase in investment deposits	(83,480)	–
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Net cash generated from investing activities	33,783	35,873
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Financing activities		
Repayment of bank loans	(619)	(27,158)
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Net cash used in financing activities	(619)	(27,158)
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Net increase in cash and cash equivalents	772	9,537
Effects of exchange rate changes on the balance of cash held in foreign currencies	725	(330)
Cash and cash equivalents at the beginning of the year	20,815	11,608
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Cash and cash equivalents at the end of the year	22,312	20,815
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