



CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2006

	Notes	2006 HK\$'000	2005 HK\$'000
Cash flows from operating activities			
Profit before income tax		27,574	51,856
Adjustments for:			
Interest income		(2,545)	(1,355)
Interest expenses		41,822	17,087
Dividend income		(119)	–
Depreciation on property, plant and equipment		19,369	6,241
Amortisation on intangible assets other than goodwill		13,532	1,127
Impairment loss on goodwill		289,800	–
Annual charges of operating lease prepayments		270	525
Impairment of receivables		16,663	747
Loss on disposal and write-off of property, plant and equipment		4,086	254
Fair value (gain)/loss on financial assets at fair value through profit or loss		(411)	121
Share of results of associates		(2,055)	(1,050)
Equity-settled share-based compensation expenses		3,968	3,509
Excess of the Group's interest in the fair value of net assets acquired over cost arising from business combination	33(a)	–	(30,289)
Loss on partial disposal of a subsidiary		1,017	–
Gain on disposal and dissolution of subsidiaries	33(b)	–	(14,086)
Gain on partial disposal of an associate		(1,358)	–
Operating profit before working capital changes		411,613	34,687
Decrease/(Increase) in inventories		396,675	(386,034)
Increase in trade receivables, other receivables and deposits		(396,831)	(291,705)
Increase in trade payables, other payables and accruals		43,002	178,503
Decrease in amount due from an associate		2,358	983
Decrease in amounts due to associates		(1,982)	–
(Decrease)/Increase in amount due to a director		(36,853)	59,578
Cash generated from/(used in) operations		417,982	(403,988)
Interest received		2,545	1,355
Interest paid		(51,520)	(68,860)
Income taxes paid		(8,894)	(14,463)
Net cash generated from/(used in) operating activities		360,113	(485,956)



CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2006

	Notes	2006 HK\$'000	2005 HK\$'000
Cash flows from investing activities			
Refund of deposit for acquisition of investment		–	311,321
Repayments to prospective investee companies		–	(16,547)
Payment to acquire intangible assets		(28,435)	(23,113)
Payment to acquire property, plant and equipment		(33,224)	(9,860)
Increase in deposits		(38,879)	(223,324)
Increase in pledged bank deposits		(22,282)	–
Proceeds from disposal of property, plant and equipment		281	1
Receipts in consideration for disposal of other investments in the previous year		150,000	–
Net cash outflow arising from disposal and dissolution of subsidiaries	33(b)	–	(627)
Acquisition of subsidiaries (net of cash and cash equivalents acquired)	33(a)	(4,074)	25,427
Net cash generated from investing activities		23,387	63,278
Cash flows from financing activities			
Repayments of bank and other borrowings		(515,988)	(348,567)
Repayment of deposit received		(35,389)	–
Repayments of finance lease liabilities		(115)	–
Proceeds from bank and other borrowings		34,170	874,180
Proceeds from issuance of share capital		1,829	–
Receipts from/(Repayments to) to security brokers and margin financiers		117,611	(2,184)
Net cash (used in)/generated from financing activities		(397,882)	523,429
Net (decrease)/increase in cash and cash equivalents		(14,382)	100,751
Cash and cash equivalents at 1 January		97,796	767
Effect of foreign exchange rate changes, on cash held		2,648	(3,722)
Cash and cash equivalents at 31 December		86,062	97,796
Analysis of the balances of cash and cash equivalents			
Cash at banks and in hand		86,332	98,112
Bank overdrafts		(270)	(316)
		86,062	97,796