

Consolidated Cash Flow Statement

For the Year Ended 31st December, 2006

	2006 <i>HK\$'000</i>	2005 <i>HK\$'000</i>
Operating activities		
Profit before taxation	137,749	63,085
Adjustments for:		
Interest income from bank deposits	(3,418)	(1,425)
Finance costs	7,279	7,419
Share of losses of associates	195	222
(Increase) decrease in fair value of investments held for trading	(1,125)	1,814
Increase in fair value of investment properties	(81,170)	(13,800)
Gain on change in value of leasehold interest in land upon transfer to investment properties	(2,804)	–
(Gain) loss on disposal of property, plant and equipment	(170)	586
Depreciation of property, plant and equipment	16,632	13,922
Release of prepaid lease payments for land	12,118	12,194
Discount on acquisition of subsidiaries	–	(13,505)
Operating cash flows before movements in working capital	85,286	70,512
Decrease (increase) in inventories	127	(345)
(Increase) decrease in properties for sale	(332)	67,657
Decrease in trade and other receivables	1,983	87,882
Increase in other deposits and prepayments	(525)	(1,301)
Decrease (increase) in trade balance due from a shareholder	880	(190)
Decrease (increase) in trade balance due from an associate	14	(8)
(Decrease) increase in trade and other payables	(1,775)	5,868
Increase in rental and other deposits received	2,919	20
Cash generated from operations	88,577	230,095
Hong Kong Profits Tax paid	(5,803)	(14,132)
Hong Kong Profits Tax refunded	–	1,179
Income tax of elsewhere paid	(1,324)	–
Interest from bank deposits received	3,418	1,425
Net cash from operating activities	84,868	218,567
Investing activities		
Expenditure on property under development	(119,167)	(9,438)
Deposits paid on acquisition of land	(19,500)	–
Additions to property, plant and equipment	(4,875)	(22,716)
Proceeds from disposal of property, plant and equipment	458	–
Decrease in pledged bank deposits	13	22
Acquisition of subsidiaries	–	(221,654)
Proceeds from disposal of investment properties	–	180,000
Net cash used in investing activities	(143,071)	(73,786)

Consolidated Cash Flow Statement (Continued)

For the Year Ended 31st December, 2006

	2006 <i>HK\$'000</i>	2005 <i>HK\$'000</i>
Financing activities		
New bank loans raised	96,000	114,640
Repayment of bank loans	(26,666)	(276,920)
Repayment of advances from a shareholder	(1,168)	–
Advances from a shareholder	–	794
Interest paid	(13,737)	(11,603)
Dividend paid to minority shareholders	(3,367)	(2,523)
Dividend paid to shareholders	–	(2,965)
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Net cash from (used in) financing activities	51,062	(178,577)
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Net decrease in cash and cash equivalents	(7,141)	(33,796)
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Cash and cash equivalents at the beginning of the year	100,276	134,072
Effects of foreign exchange rate changes	31	–
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Cash and cash equivalents at the end of the year, represented by bank balances and cash	93,166	100,276
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