

Consolidated Cash Flow Statement

For the year ended 31 December 2006

	Note	2006 HK\$'000	2005 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash used in operations	32	(17,951)	(194)
Interest paid		(56)	(137)
Net cash used in operating activities		(18,007)	(331)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment ("PPE")		(5,596)	(944)
Proceeds from disposal of PPE		607	4
Acquisition of associates		(598)	(6,754)
Interest received		5,729	1,449
Payment for deferred development costs		(16,074)	(8,460)
Proceeds from disposal of an associate		5,617	–
Proceeds from disposal of available-for-sale financial assets		1,200	–
Net cash used in investing activities		(9,115)	(14,705)
CASH FLOWS FROM FINANCING ACTIVITIES			
Decrease/(increase) in pledged bank deposits		10,965	(13,172)
Proceeds from issuance of ordinary shares		452,760	55,575
Proceeds from exercise of share options		24,177	8,026
Capital element of finance lease payments		(36)	(36)
Dividends on preference shares		(26,000)	(5,000)
Repayments of borrowings		–	(4,739)
Net cash generated from financing activities		461,866	40,654
NET INCREASE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at beginning of the year		81,669	56,051
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	24	516,413	81,669

The notes on pages 34 to 92 are an integral part of these consolidated financial statements.