

For the year ended 31st December, 2006

	2006 HK\$'000	2005 HK\$'000
Operating activities		
Profit before income tax, including profit from discontinued operation	172,495	178,502
Adjustments for:		
Share of result of associates	(53,336)	(14,048)
Share of result of jointly controlled entities	145,350	(23,604)
Depreciation and amortisation	18,535	20,001
Reversal of unutilised provision	–	(8,970)
Allowance for doubtful debts	13,299	25,368
Fair value gain on investments held for trading	(13,480)	(5,179)
Interest income	(29,710)	(37,955)
Finance costs	31,867	24,764
Impairment loss on goodwill	1,473	7,731
Impairment loss on other non-current assets	6,949	6,531
Loss on disposal of property, plant and equipment	103	74
Gain on disposal of discontinued operations	–	(14,750)
Excess of interest in fair values of identifiable net assets of subsidiaries acquired	–	(15,446)
Excess of interest in fair values of identifiable net assets of an associate acquired	–	(1,491)
Gain on disposal of interest in a jointly controlled equity	–	(5,437)
Property, plant and equipment write off	576	870
Exchange difference	12,259	(1,587)
Fair value gain on investment properties	(126,659)	(45,826)
Fair value loss on shared-based payment	1,000	4,000
	180,721	93,548
Operating cash flows before movements in working capital	(637,998)	(350,386)
Increase in inventory of properties	(10,502)	4,183
(Increase)/decrease in other inventories	(78,088)	(3,257)
Increase in trade and other receivables	17,685	(16,984)
Decrease/(increase) in amount due from an associate	(167,305)	(3,968)
Increase in amounts due from jointly controlled entities	(44,203)	(6,448)
Increase in amount due from a related party	(5,263)	4,262
(Increase)/decrease in amounts due from investees	(68,932)	112,218
(Increase)/decrease in investments held for trading	(19,972)	20,546
(Decrease)/increase in trade and other payables	373,467	59,763
Increase in sales deposits received	(16,080)	–
Decrease in amounts due to minority shareholders	–	(126)
Decrease in amounts due to associates	–	(40,649)
Increase/(decrease) in amounts due to jointly controlled entities	300,558	(220,846)
	(175,912)	(127,298)
Cash used in operations	(14,138)	(7,926)
Income tax paid	–	–
Tax refund	(14,138)	(7,926)
	(190,050)	(135,224)

CONSOLIDATED CASH FLOW STATEMENT 27

For the year ended 31st December, 2006

	<i>NOTES</i>	2006 HK\$'000	2005 HK\$'000
Investing activities			
Proceeds on disposal of subsidiaries, associates and jointed controlled entities		–	15,172
Loan repayment from associates		61,359	49,543
Deposit paid for investment in convertible and non-convertible notes		(10,139)	–
Deposit for additional interest in jointly controlled entities		–	(14,997)
Proceeds on disposal of property, plant and equipment		1,384	36,710
Interest received		30,018	36,887
Proceed on disposal of assets held for sales		31,420	–
Increase in long term loan receivable		(17,431)	(7,440)
Additions to intangible assets		–	(8)
Deposit received from an associate		1,045	–
Additions to property, plant and equipment		(21,550)	(16,158)
Additions to investment properties		(6,268)	(17,754)
Acquisition of a subsidiary		–	(260,060)
Increase in investments in subsidiaries	43	(66,270)	(14,894)
Increase in investments in associates		–	(6,271)
Increase in investments in jointly controlled entities		(9,953)	(2,106)
Loan to an associate		(8,000)	(125,229)
Minority shareholders injection		–	23,066
Repayment of long term loan receivables		140,387	98,739
Net cash generated from/(used in) investing activities		126,002	(204,800)
Financing activities			
New bank and other borrowings		1,348,927	1,466,293
Repayment of bank borrowings		(1,084,715)	(1,133,035)
Payment made to redeem cash-settled options		(7,000)	–
Dividends paid		(60,058)	(38,115)
Interest paid		(31,625)	(24,442)
Net cash generated from financing activities		165,529	270,701
Net increase/(decrease) in cash and cash equivalents		101,481	(69,323)
Cash and cash equivalents at 1st January		376,581	439,342
Effect of foreign exchange rate change		10,691	6,562
Cash and cash equivalents at 31st December		488,753	376,581
Analysis of the balance of cash and cash equivalents			
Bank balances and cash		488,753	376,581