

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		499,150	656,463
Share of profit less losses of associates		(15)	(6)
Share of profit less losses of a jointly-controlled entity		17	6
Bank interest income		(1,529)	(588)
Interest expenses		70,912	50,894
Depreciation of property, plant and equipment		1,866	1,795
Amortisation of operating lease prepayment		14	14
Amortisation of properties held for development		796	715
Impairment of goodwill		—	1,314
Amortisation of intangible assets		659	489
Equity-settled share based payment expenses		252	1,291
Provision for obsolete inventories		3,599	2,096
Provision of impairment for receivables		1,029	1,045
Bad debts written off		122	3,039
Loss on disposal of investment properties		—	190
Loss on disposal of property, plant and equipment		121	67
Deposit for purchase of properties recovered after settled litigation	5(a)	—	(44,847)
Recovery of long outstanding debts written off	5(b)	—	(11,715)
Gain on fair value adjustment on investment properties		(361,628)	(564,921)
Gain on disposal of investment properties		(101,300)	—
Gain on disposal of subsidiaries		(624)	(8,407)
Loss on disposal of an associate		—	63
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Operating profit before working capital changes		113,441	88,997
Increase in trade and other receivables	43(c)(i)	(10,985)	(9,756)
Increase in deposits paid for acquisition of properties		(32,678)	—
Decrease/(Increase) in inventories		1,309	(4,904)
Increase in properties held for sale		(42,705)	—
Increase in trade and other payables	43(c)(ii)	727	11,174
Proceeds from deposit for purchase of properties recovered after settled litigation		—	44,847
Proceeds from recovery of long outstanding debts written off		—	15,000
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Net cash generated from operations		29,109	145,358
Interest paid		(70,210)	(50,944)
Income tax paid		(10,646)	(2,610)
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<i>Net cash (used in)/generated from operating activities</i>		(51,747)	91,804

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for the year ended 31 December 2006

	Notes	2006 HK\$'000	2005 HK\$'000
Cash flows from investing activities			
Additions to property, plant and equipment		(1,084)	(1,081)
Decrease in amounts due from associates		14	23
Increase in amount due from a jointly-controlled entity		(13,524)	(4,807)
Proceeds from disposal of investment properties		228,303	1,008
Payment to acquire investment properties		(375,775)	(78,911)
Payment to acquire properties held for development		(4,034)	(5,183)
Net cash inflow from disposal of subsidiaries	43(b)	—	14
Bank interest received		1,529	588
<i>Net cash used in investing activities</i>		(164,571)	(88,349)
Cash flows from financing activities			
Repayments of bank loans		(217,359)	(303,810)
Repayments of other loans		(21,869)	(96,575)
Bank loans raised		462,349	301,382
Other loans raised		14,516	68,261
Repayments of obligations under finance leases		—	(25)
Proceeds from exercise of warrants		563	511
Proceeds from exercise of share options		222	736
Proceeds from new issue of shares, net of expenses		—	54,738
Final dividend paid		(7,788)	(4,122)
<i>Net cash generated from financing activities</i>		230,634	21,096
Increase in cash and cash equivalents		14,316	24,551
Cash and cash equivalents at 1 January		72,196	46,724
Effect of foreign exchange rate changes, net		1,997	921
Cash and cash equivalents at 31 December		88,509	72,196