

CONSOLIDATED CASH FLOW STATEMENT

For the Year Ended 31 December 2006

	NOTES	2006 HK\$'000	2005 HK\$'000
Operating activities			
Profit before taxation		767,782	388,452
Adjustments for:			
Depreciation of property, plant and equipment		1,652	2,389
Write-down of inventories		1,599	26,021
Write-down of ginseng crops		—	17,363
Interest income		(38,242)	(8,248)
Finance costs		123,972	112,945
Share-based payments		34,408	3,611
Exchange gain		(53,194)	—
Impairment loss on goodwill		—	1,343
Discount on acquisition of subsidiary/deemed acquisition of additional interest in subsidiary		(174,016)	—
Gain on disposal of interest in an infrastructure joint venture	34	(5,140)	(252)
Impairment loss on non-current assets held for sale		—	1,578
Change in fair value of inventories at the point of harvest		—	20,480
Change in fair value of derivative financial instruments		14	(7,800)
Realised gain on disposal of listed equity securities		(1,464)	—
Realised gain on derivative financial instruments		(672)	(2,655)
Share of results of joint ventures		(586,844)	(596,428)
Gain on disposal of property, plant and equipment		(29)	(63)
Operating cash flows before movements in working capital		69,826	(41,264)
Decrease (increase) in inventories and ginseng crops		3,493	(21,015)
(Increase) decrease in debtors, deposits and prepayments		(8,535)	7,699
Increase in properties under development for sale		(323,852)	(172,930)
Decrease in completed properties held for sale		336,578	—
Deposits from presale of properties		49,670	—
(Decrease) increase in creditors and accrued charges		(744,273)	83,398
Cash generated from operations		(617,093)	(144,112)
Income tax paid		(15,889)	—
Net cash used in operating activities		(632,982)	(144,112)

	NOTES	2006 HK\$'000	2005 HK\$'000
Investing activities			
Interest received		32,696	10,180
Dividends received from infrastructure joint ventures		222,131	230,596
Proceeds on sales of listed securities		31,434	—
Proceeds on redemption of available-for-sale investments		—	7,800
Proceeds on disposal of derivative financial instruments		34,822	61,630
Proceeds on disposal of property, plant and equipment		156	178
Proceeds on disposal of non-current assets held for sale		10,236	—
Proceeds on disposal of interest in an infrastructure joint venture	34	52,381	74,490
Loans to potential acquirees		(802,153)	—
Acquisition of a subsidiary	32	(326,499)	—
Disposal of subsidiaries	33	(1,885)	—
Purchases of property, plant and equipment		(4,778)	(5,309)
Increase in advances for land leases		(277,746)	(825,811)
Purchases of derivative financial instruments		(59,298)	(59,442)
Loans to related company		(7,422)	—
Additional investments in joint ventures		—	(755,675)
Reduction of cost of investments in infrastructure joint ventures		622,796	542,767
(Increase) decrease in pledged deposits		(851)	44,223
Net cash used in investing activities		(473,980)	(674,373)
Financing activities			
New borrowings raised		1,496,515	449,665
Repayment of borrowings		(248,523)	(438,906)
Issue of ordinary shares		982,743	24,878
Expenses incurred in connection with the issue of ordinary shares		(18,369)	—
Interest paid		(137,534)	(114,676)
Dividends paid		(288,964)	(206,193)
Net cash from (used in) financing activities		1,785,868	(285,232)
Net increase (decrease) in cash and cash equivalents		678,906	(1,103,717)
Cash and cash equivalents at beginning of the year		421,192	1,524,891
Effect of foreign exchange rate changes		13,276	18
Cash and cash equivalents at end of the year		1,113,374	421,192
Represented by:			
Bank balances and cash		1,113,374	421,192