



Consolidated Cash Flow Statement

For the year ended 31 December 2006

	2006 HK\$'000	2005 HK\$'000
OPERATING ACTIVITIES		
Loss before tax	(74,038)	(255,870)
Adjustments for:		
Interest on bank borrowings and finance leases	13,884	12,043
Interest on amount due to a related company	6,017	1,154
Share of results of associates	(17,780)	(10,493)
Share of results of jointly controlled entities	(5,592)	(13,860)
Share-based payment expense	–	15,720
Impairment loss recognised on trade receivable	2,920	1,818
Impairment loss recognised on inventories	600	5,084
Amortisation of intangible assets	1,049	–
Depreciation of property, plant and equipment	68,684	99,944
Release of prepaid lease payments charged to income statement	393	471
Interest income	(682)	(186)
Loss (gain) on disposal of property, plant and equipment	212	(70)
Gain on disposal of assets classified as held for sale	(5,867)	–
Increase in fair value of investment properties	(564)	(8,263)
Impairment loss recognised on property, plant and equipment	–	123,671
Impairment loss recognised on intangible assets	950	–
Impairment loss recognised on club debentures	115	–
Operating cash flows before movements in working capital	(9,699)	(28,837)
Decrease in inventories	3,577	3,208
Increase in trade and bills receivables	(10,207)	(22,005)
(Increase) decrease in other receivables	(8,297)	2,202
Decrease in amounts due from customers for contract work	16,494	–
Decrease in amounts due from associates	2,682	–
Decrease in amount due from a jointly controlled entity	1,629	–
Decrease in trade and bills payables	(13,077)	(20,536)
Increase (decrease) in other payables and accruals	16,597	(16,094)
Decrease in amounts due to customers for contract work	(24,697)	–
Increase in amount due to a related party	4,753	–
Increase in amount due to a jointly controlled entity	7,471	–
Decrease in amounts due to associates	–	(11,730)
Cash used in operations	(12,774)	(93,792)
Hong Kong Profits Tax refunded	73	–
PRC Income Tax refunded	119	–
Hong Kong Profits Tax paid	–	(275)
Interest paid	(13,884)	(12,043)
NET CASH USED IN OPERATING ACTIVITIES	(26,466)	(106,110)

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For the year ended 31 December 2006

<i>Note</i>	2006 HK\$'000	2005 HK\$'000
INVESTING ACTIVITIES		
	(14,929)	(10,606)
	834	17,493
	28,868	(28,868)
	–	(626)
	15,000	10,000
	682	186
	1,174	729
	27,152	11,648
40	11,617	–
	70,398	(44)
FINANCING ACTIVITIES		
	86,567	13,470
	–	5,000
	(1,801)	–
	(34,686)	(34,117)
	7,129	(5,101)
	(123,245)	(20,173)
	54,047	82,265
	(24,700)	24,700
	(600)	–
	(37,289)	66,044
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
	6,643	(40,110)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		
	23,952	64,062
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		
	336	–
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		
	30,931	23,952
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
	37,214	31,675
	(6,283)	(7,723)
	30,931	23,952