

Consolidated Cash Flow Statement

Year ended 31 December 2005

	Notes	2005 HK\$'000	2004 HK\$'000 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		20,330	44,874
Adjustments for:			
Interest expense	6	6,168	4,540
Interest income	7	(1,613)	(1,157)
Loss on disposal of property, plant and equipment	7	-	7
Gain on disposal of interests in subsidiaries	7	(22,568)	(85,763)
Depreciation	7	14,453	9,456
Change in fair value of investment properties		(97,932)	-
Amortisation of intangible assets	7	7,356	8,429
Amortisation of goodwill on acquisition of subsidiaries	7	-	5,281
Impairment of intangible assets	7	-	6,806
Amortisation of prepaid rentals	7	1,000	580
Impairment of goodwill	7	49,000	7,000
Waiver of accrued directors' remuneration	7	-	(5,299)
Provision for deposit paid for a telecommunication project	7	-	15,978
Provision for deposits paid for online game platform and Internet cafe project	7	19,144	-
Operating profit/(loss) before working capital changes		(4,662)	10,732
Increase in trade receivables		(210)	(1,787)
Decrease in prepayments, deposits and other receivables		51,833	148,091
Decrease in trade payables		(153)	(3,439)
Increase/(decrease) in other payables and accruals		5,708	(1,265)
Exchange differences on translation of the financial statements of overseas subsidiaries		163	167
Cash generated from operations		52,679	152,499
Interest received		1,613	1,157
Interest paid		(5,661)	(4,343)
Interest element on finance lease	6	(151)	(64)
Overseas taxes paid		(24)	-
Net cash inflow from operating activities		48,456	149,249

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Year ended 31 December 2005

	Notes	2005 HK\$'000	2004 HK\$'000 (Restated)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment		(358)	(326)
Acquisition of an additional interest in a subsidiary	31	(24,000)	–
Acquisition of subsidiaries	31	–	(135,956)
Decrease/(increase) in deposits pledged to a bank		422	(223)
		(23,936)	(136,505)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares	28	22,860	42,750
Proceeds from issue of a share option	28	2,280	–
Repayments of bank loans		(23,160)	(20,055)
Issue of a convertible bond		–	30,000
Capital element of finance lease payments		(108)	(336)
		1,872	52,359
INCREASE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at beginning of year		106,254	41,312
Effect of foreign exchange rate changes, net		505	(161)
		133,151	106,254
CASH AND CASH EQUIVALENTS AT END OF YEAR			
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances		133,151	106,254