

Consolidated Cash Flow Statement

For the year ended 31 December 2006

<i>NOTES</i>	2006 HK\$'000	2005 HK\$'000
OPERATING ACTIVITIES		
(Loss) profit before tax	(218,338)	163,108
Adjustments for:		
Amortisation of prepaid lease payments	11,987	8,354
Depreciation of property, plant and equipment	11,030	4,675
Finance costs	41,024	33,154
Interest income	(911)	(330)
Share base payment expenses	2,572	—
Decrease (increase) in fair value of investment properties	53,001	(224,642)
Share of results of an associate	87,158	(6,012)
Excess of fair values of net assets acquired over cost of acquisition	—	(17,976)
Operating cash flows before movements in working capital	(12,477)	(39,669)
Decrease (increase) in properties held for sale	38,976	(30,140)
Increase in trade receivables	(452)	(712)
(Decrease) increase in other receivables	(3,182)	16,274
Decrease in trade payables	(37,599)	(51)
(Decrease) increase in advanced proceeds received from customers	(85,985)	43,021
Decrease in amount received from Suifenhe Land Reserve Centre	(64,165)	—
Increase (decrease) in other payables	124,577	(1,202)
Cash used in operations	(40,307)	(12,479)
Income tax refunded (paid)	8,309	(420)
Interest paid	(21,513)	(14,443)
NET CASH USED IN OPERATING ACTIVITIES	(53,511)	(27,342)

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	<i>NOTES</i>	2006 HK\$'000	2005 HK\$'000
INVESTING ACTIVITIES			
Purchases of property, plant and equipment		(181,747)	(110,804)
Advances to a related company		(3,610)	—
Interest received		911	330
Dividends received from an associate		—	188,679
Net cash from acquisition of a subsidiary	38	—	19,093
NET CASH (USED IN) FROM INVESTING ACTIVITIES		(184,446)	97,298
FINANCING ACTIVITIES			
Advances from (repayments to) ultimate holding company		197,963	(99,329)
New secured bank borrowings raised		195,000	260,000
Advances from (repayments to) related companies		5,577	(884)
Repayments of secured bank borrowings		(136,701)	(88,781)
Repayments of promissory note		(350)	(92,000)
Dividends paid		—	(41,382)
NET CASH FROM (USED IN) FINANCING ACTIVITIES		261,489	(62,376)
NET INCREASE IN CASH AND CASH EQUIVALENTS		23,532	7,580
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		27,574	18,359
Effect of foreign exchange rates changes		(2,308)	1,635
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank balances and cash		48,798	27,574