

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2006

	2006 HK\$'000	2005 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	3,737	11,297
Adjustments for:		
Finance costs	381	336
Interest income	(15,763)	(3,525)
Dividend income from listed investments	(3,277)	(3,174)
Depreciation	423	459
Recognition of prepaid land lease payments	8	9
Share of profits and losses of associates	(2,049)	(1,470)
Fair value (gains)/losses, net:		
Available-for-sale investments (transfer from equity)	(492)	—
Equity investments at fair value through profit or loss	(21,388)	(1,108)
Equity-linked notes	35,146	—
Loss on disposal of items of property, plant and equipment	15	—
	(3,259)	2,824
Decrease in inventories	1,016	399
(Increase)/decrease in trade receivables	(1,240)	324
Decrease in prepayments, deposits and other receivables	1,255	7,685
Decrease/(increase) in equity investments as fair value through profit or loss	27,455	(20,370)
Decrease in trade payables	(192)	(346)
Increase in other payables and accruals	174	1,794
Net cash inflow/(outflow) from operating activities	25,209	(7,690)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of items of property, plant and equipment	(362)	(566)
Purchases of available-for-sale investments	(37,284)	(11,202)
Purchases of equity-linked notes	(85,085)	—
Repayment of loans to investee companies	46,149	—
Increase in pledged time deposits	(30,358)	(17,663)
Proceeds from disposal of items of property, plant and equipment	200	—
Proceeds from disposal of available-for-sale investments	39,181	15,600
Dividend received from listed investments	3,277	3,174
Interest received	15,763	3,525
Net cash outflow from investing activities	(48,519)	(7,132)

CONSOLIDATED CASH FLOW STATEMENT (CONT'D)

For the year ended 31 December 2006

	Notes	2006 HK\$'000	2005 HK\$'000
CASH FLOWS FROM FINANCING ACTIVITIES			
New interest-bearing borrowings		48,224	1,603
Repayment of interest-bearing borrowings		(5,624)	—
Interest paid		(381)	(336)
Net cash inflow from financing activities		42,219	1,267
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at beginning of year		19,636	33,191
CASH AND CASH EQUIVALENTS AT END OF YEAR		38,545	19,636
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	24	38,545	3,470
Non-pledged time deposits with original maturity of less than three months when acquired	24	—	16,166
		38,545	19,636