

Consolidated Cash Flow Statement

Year ended 31 December 2006

	Notes	2006 HK\$'000	2005 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) before tax			
From continuing operations		(20,589)	100,007
From a discontinued operation		(124,949)	(79,677)
Adjustments for:			
Interest expense	6	5,145	6,168
Interest income	7	(1,909)	(1,613)
Loss on disposal of interests in subsidiaries	10	106,187	–
Gain on disposal of interests in subsidiaries	7	–	(22,568)
Depreciation	7	14,156	14,453
Changes in fair value of investment properties	7	–	(97,932)
Amortisation of intangible assets	7	5,656	7,356
Amortisation of a prepaid rental	7	1,025	1,000
Impairment of intangible assets	7	3,587	–
Impairment of goodwill	7	–	49,000
Provision for deposits paid for online game platform and Internet cafe project	7	–	19,144
Equity-settled share option scheme expenses	7, 31	2,767	–
		(8,924)	(4,662)
Decrease/(increase) in trade receivables		9,977	(210)
Decrease/(increase) in prepayments, deposits and other receivables		(18,778)	51,833
Decrease in trade payables		(18,684)	(153)
Increase in other payables and accruals		5,965	5,708
Exchange differences on translation of financial statements of foreign entities		(2,791)	163
Cash generated from/(used in) operations		(33,235)	52,679
Interest received		1,909	1,613
Interest paid		(5,004)	(5,661)
Interest element on finance lease rental payments	6	(90)	(151)
Overseas taxes paid		–	(24)
Net cash inflow/(outflow) from operating activities		(36,420)	48,456

Consolidated Cash Flow Statement

Year ended 31 December 2006

	Notes	2006 HK\$'000	2005 HK\$'000
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of items of property, plant and equipment		(471)	(358)
Acquisition of additional interest in a subsidiary		–	(24,000)
Disposal of subsidiaries	32	49,895	–
Increase in time deposits with original maturity of more than three months		(176,400)	–
Decrease/(increase) in deposits pledged to a bank		(50)	422
Net cash outflow from investing activities		(127,026)	(23,936)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		32,920	22,860
Proceeds from issue of share options		–	2,280
Repayments of bank loans		(4,668)	(23,160)
Capital element of finance lease rental payments		(335)	(108)
Net cash inflow from financing activities		27,917	1,872
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
		(135,529)	26,392
Cash and cash equivalents at beginning of year		133,151	106,254
Effect of foreign exchange rate changes, net		4,580	505
CASH AND CASH EQUIVALENTS AT END OF YEAR		2,202	133,151
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	22	2,202	133,151