

Consolidated Cash Flow Statement

Year ended 31 December 2006

	Notes	2006 HK\$'000	2005 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		13,780	7,705
Adjustments for:			
Finance costs	9	–	17
Interest income	5	(5,936)	(3,763)
Dividend income from listed investments	5	(256)	(85)
Gain on disposal of listed investments	5	(1,409)	(365)
Fair value gains on investment properties	5	(4,192)	(1,523)
Fair value losses/(gains), net:			
Equity investments at fair value through profit or loss	6	(813)	123
Depreciation	6	4,834	6,131
Impairment of trade receivables	6	1,568	2,512
Loss on disposal of items of property, plant and equipment	6	23	106
Amortisation of deferred development costs	6	2,156	2,807
Impairment of deferred development costs	6	3,678	–
Equity-settled share option expenses		–	307
		13,433	13,972
Decrease/(increase) in inventories		7,761	(8,775)
Decrease/(increase) in trade receivables		(22,956)	33,018
Decrease in amounts due from contract customers		9,813	54,961
Decrease/(increase) in prepayments, deposits and other receivables		3,008	(4,458)
Increase/(decrease) in trade payables, other payables and accruals		9,311	(3,354)
Increase in deferred income		2,737	557
Decrease in amounts due to minority shareholders of subsidiaries		(499)	–
		22,608	85,921
Cash generated from operations		22,608	85,921
Interest paid		–	(17)
Hong Kong profits tax paid		(204)	(345)
Overseas taxes paid		(1,472)	(91)
		20,932	85,468
Net cash inflow from operating activities		20,932	85,468



Consolidated Cash Flow Statement (continued)

Year ended 31 December 2006

	Notes	2006 HK\$'000	2005 HK\$'000
Net cash inflow from operating activities		20,932	85,468
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		5,936	3,763
Dividends received from listed investments		256	85
Purchases of items of property, plant and equipment	14	(1,832)	(1,603)
Purchases of listed investments		(11,123)	(19,676)
Purchases of held-to-maturity securities		–	(3,900)
Purchases of available-for-sale investments		(495)	–
Proceeds from disposal of items of property, plant and equipment		70	–
Proceeds from disposal of listed investments		12,385	14,910
Held-to-maturity securities settled		3,900	–
Additions to deferred development costs	17	–	(1,400)
Increase/(decrease) in pledged bank deposits		(3,664)	15,824
Acquisition of subsidiaries	33	(886)	–
Net cash inflow from investing activities		4,547	8,003
CASH FLOWS FROM FINANCING ACTIVITIES			
Capital contributed by minority shareholders		480	–
Repurchase of shares	30	(2,899)	(4,704)
Decrease in other financial liabilities	28	(23,400)	–
Dividends paid		(8,085)	–
Repayment of bank loans		–	(15,000)
Net cash outflow from financing activities		(33,904)	(19,704)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at beginning of year		171,788	98,050
Effect of foreign exchange rate changes, net		459	(29)
CASH AND CASH EQUIVALENTS AT END OF YEAR		163,822	171,788
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	25	31,839	28,993
Non-pledged time deposits with original maturity of less than three months when acquired	25	131,983	142,795
		163,822	171,788