

# CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2007

	2007 HK\$'000	2006 HK\$'000
<b>OPERATING ACTIVITIES</b>		
Profit before tax	<b>2,677,471</b>	2,755,359
Adjustments for:		
Agency fee	<b>(1,232,057)</b>	–
Gain on extension of long term payable	<b>(9,656)</b>	–
Gain on early redemption of convertible loan notes	<b>(8,827)</b>	–
Gain from fair value change of held-for-trading investments	<b>(1,194)</b>	(11,299)
Amortisation of financial guarantee liability	<b>(13,464)</b>	–
Dividend income	<b>(2,739)</b>	(3,659)
Depreciation of property, plant and equipment	<b>20,381</b>	56,529
Amortisation of service agreements intangible asset and trading rights	<b>364</b>	10,489
Amortisation of prepaid lease payments	–	3,674
Loss on deemed disposal of partial interests in subsidiaries	<b>39,754</b>	33
Loss on deemed disposal of subsidiaries	<b>65,288</b>	12,140
Gain on disposal of interests in jointly controlled entity	<b>(532,604)</b>	–
Gain on formation of a jointly controlled entity	–	(20,000)
Gain on deemed disposal of interests in jointly controlled entities	–	(3,102,253)
Gain on deemed disposal of partial interests in associates	<b>(1,549,361)</b>	–
Increase in fair value of investment properties	<b>(10,060)</b>	–
Fair value changes on derivative financial instruments	<b>(190,126)</b>	–
Allowance for doubtful debts	<b>2,395</b>	4,972
Share-based payment expense	<b>9,657</b>	9,509
Loss on disposal of property, plant and equipment	<b>322</b>	8,954
Share of losses of jointly controlled entities	<b>157,713</b>	191,835
Share of losses of associates	<b>519,538</b>	–
Finance costs	<b>96,097</b>	85,879
Adjustment to goodwill	–	11,554
Write-down of service agreements intangible asset	–	90,390

	Notes	2007 HK\$'000	2006 HK\$'000
Operating cash flows before movements in working capital		<b>38,892</b>	104,106
Decrease (increase) in inventories		<b>33,395</b>	(28,497)
Increase in trade receivables		<b>(1,461,663)</b>	(280,019)
Increase in prepayments, deposits and other receivables		<b>(29,497)</b>	(73,302)
Decrease in held-for-trading investments		<b>1,703</b>	41,798
Increase in amounts due from related companies		–	(3)
Decrease (increase) in amounts due from joint controlled entities		<b>855</b>	(836)
Decrease in amounts due from associates		<b>203,440</b>	–
Increase in trade payables		<b>93,625</b>	175,052
Increase in other payables		<b>39,683</b>	221,177
Decrease in amount due to a minority shareholder		–	(9,104)
Decrease in amount due to a jointly controlled entity		–	(9)
Cash (used in) generated from operations		<b>(1,079,567)</b>	150,363
Income tax paid		<b>(2,742)</b>	(9,862)
<b>NET CASH (USED IN) FROM OPERATING ACTIVITIES</b>		<b>(1,082,309)</b>	140,501
<b>INVESTING ACTIVITIES</b>			
Increase in pledged bank deposits		<b>(972,500)</b>	(677)
Net cash outflow on deemed disposal of subsidiaries	52	<b>(170,441)</b>	(53,446)
Purchase of property, plant and equipment		<b>(179,176)</b>	(113,798)
Purchase of available-for-sale investments		<b>(191,492)</b>	–
Investment in jointly controlled entities		<b>(30,000)</b>	(70,000)
Cash inflow from acquisition of subsidiaries	51	<b>8,439</b>	–
Dividend received		<b>2,739</b>	3,659
Decrease in long term deposits		<b>179</b>	–
Investment in MPBL Gaming	13(b)	–	(1,244,800)
Acquisition of hotels and entertainment complex under development		–	(870,208)
Advances made to associates		–	(199,588)
Proceeds from disposal of available-for-sale investments		–	680
Proceeds from disposal of property, plant and equipment		–	179
Increase in prepaid lease payments		–	(9,270)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(1,532,252)</b>	(2,557,269)

# CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2007

	Notes	2007 HK\$'000	2006 HK\$'000
<b>FINANCING ACTIVITIES</b>			
Bank borrowings raised		<b>1,162,146</b>	21,000
Capital contribution from minority shareholders		<b>500,212</b>	3,016
Advance from a shareholder		<b>250,000</b>	–
Proceeds from exercise of share options		<b>595</b>	24,329
Redemption of convertible loan notes		<b>(156,000)</b>	–
Interest paid		<b>(29,549)</b>	(28,124)
Dividend paid		<b>(13,804)</b>	(40,381)
Proceeds from issue of shares		–	1,214,760
Advance from a minority shareholder		–	110,528
Advances from related companies		–	7,225
Proceeds from disposal of convertible loan notes		–	4,000
Share issuance expenses		–	(40,025)
Repayment of obligation under finance lease		–	(18)
<b>NET CASH FROM FINANCING ACTIVITIES</b>		<b>1,713,600</b>	1,276,310
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(900,961)</b>	(1,140,458)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>		<b>1,209,826</b>	2,350,284
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR,</b> represented by bank balances and cash		<b>308,865</b>	1,209,826