



## Consolidated Cash Flow Statement

For the year ended 31 December 2006

	NOTES	2006 HK\$'000	2005 HK\$'000
<b>OPERATING ACTIVITIES</b>			
Profit before taxation		<b>90,794</b>	49,197
Adjustments for:			
Amortisation and depreciation		<b>866</b>	534
Loss on disposal of property, plant and equipment		–	11
Impairment loss on goodwill		<b>7,783</b>	–
Impairment loss on prepayments		<b>8,054</b>	–
Gain on change in fair value of investment properties		<b>(121,400)</b>	(52,600)
Interest income		<b>(390)</b>	(62)
Finance costs		<b>8,971</b>	5,950
Operating cash flows before movements in working capital		<b>(5,322)</b>	3,030
Decrease (increase) in inventories		<b>485</b>	(306)
Decrease in held-for-trading investment/investments in securities		<b>48</b>	19,166
Decrease in trade and other receivables		<b>510</b>	389
(Increase) decrease in prepayments and deposits		<b>(501)</b>	247
Increase (decrease) in trade and other payables		<b>3,030</b>	(1,986)
Increase (decrease) in rental deposits		<b>771</b>	(134)
Cash (used in) from operations		<b>(979)</b>	20,406
Interest paid		<b>(8,971)</b>	(5,950)
<b>NET CASH (USED IN) FROM OPERATING ACTIVITIES</b>		<b>(9,950)</b>	14,456
<b>INVESTING ACTIVITIES</b>			
Net cash outflow arising from acquisition of subsidiaries	31	<b>(25,468)</b>	(4,000)
Purchase of property, plant and equipment		<b>(2,214)</b>	(831)
Prepayments for a warehouse project		<b>(164)</b>	–
Deposit paid for acquisition of subsidiaries	18	–	(11,590)
Repayment from a minority shareholder of a subsidiary		<b>18,139</b>	–
Interest received		<b>390</b>	62
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(9,317)</b>	(16,359)

## Consolidated Cash Flow Statement

For the year ended 31 December 2006

NOTES	2006 HK\$'000	2005 HK\$'000
<b>FINANCING ACTIVITIES</b>		
Bank loans raised	<b>75,600</b>	131,963
Advance from minority shareholders of subsidiaries	<b>163</b>	2,675
Proceeds from issue of shares	–	23,321
Repayment to directors	–	(3,268)
Repayment of bank loans	<b>(23,841)</b>	(132,676)
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>51,922</b>	22,015
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>32,655</b>	20,112
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>24,192</b>	4,080
Effect of foreign exchange rate changes	<b>514</b>	–
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR, represented by bank balances and cash</b>	<b>57,361</b>	24,192