

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 30th June, 2003

	2003 HK\$	2002 HK\$
OPERATING ACTIVITIES		
Profit before taxation	55,367,621	58,363,443
Adjustments for:		
Share of results of associates	(54,528,981)	(89,161,455)
Depreciation of property, plant and equipment	2,852,213	1,836,035
Amortisation of loan arrangement fees	1,031,250	1,177,390
Finance income	(679,258)	(6,132,770)
Finance costs	37,048,690	58,102,786
Loss on disposal of property, plant and equipment	—	298,247
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Operating cash flows before movements in working capital	41,091,535	24,483,676
Decrease in hotel inventories	257,389	714,067
Decrease in trade and other receivables	3,357,834	632,289
Decrease in amounts due from associates	124,160,189	242,765,265
Decrease in trade and other payables	(4,114,140)	(628,185)
(Decrease) increase in amount due to an associate	(16,630,610)	16,779,694
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Cash generated from operations	148,122,197	284,746,806
Hong Kong Profits Tax paid	(1,157,590)	(3,695,484)
Hong Kong Profits Tax refund	—	753
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NET CASH FROM OPERATING ACTIVITIES	146,964,607	281,052,075
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INVESTING ACTIVITIES		
Dividend received from associates	16,625,000	38,375,000
Finance income received	679,258	6,132,770
Purchase of property, plant and equipment	(2,087,686)	(6,872,024)
Increase in pledged fixed deposit	(20,112)	(32,291)
Proceeds on disposal of property, plant and equipment	—	3,802
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NET CASH FROM INVESTING ACTIVITIES	15,196,460	37,607,257
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CONSOLIDATED CASH FLOW STATEMENT *(Continued)*

For the year ended 30th June, 2003

	2003 HK\$	2002 HK\$
FINANCING ACTIVITIES		
Repayment of loans and advances	(127,854,702)	(1,115,643,388)
Finance costs paid	(36,328,257)	(59,380,013)
Dividend paid	(2,768,031)	(673,605)
Finance charges paid	(1,430,463)	(1,760,113)
Share issue expenses	(211,750)	(591,660)
Advance from an associate	8,214,722	385,862,102
Loan arrangement fees paid	—	(4,125,000)
New loan raised	—	466,991,750
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NET CASH USED IN FINANCING ACTIVITIES	(160,378,481)	(329,319,927)
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NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,782,586	(10,660,595)
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CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	14,777,717	25,438,312
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CASH AND CASH EQUIVALENTS AT END OF THE YEAR	16,560,303	14,777,717
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ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	16,560,303	15,395,512
Bank overdrafts	—	(617,795)
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	16,560,303	14,777,717
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