

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 30th June, 2004

	Six months ended 30.6.2004 HK\$'000 (unaudited)	Six months ended 30.6.2003 HK\$'000 (unaudited)
Net cash used in operation activities	(31,082)	(37,536)
Net cash from (used in) investing activities	155	(20)
Net Cash from (used in) financing activities	<u>24,820</u>	<u>(14,561)</u>
Net decrease in cash and cash equivalents	(6,107)	(52,117)
Cash and cash equivalents at beginning of the period	207,012	186,168
Effect of foreign exchange rate changes	<u>35</u>	<u>(20)</u>
Cash and cash equivalent at end of the period	<u><u>200,940</u></u>	<u><u>134,031</u></u>
Analysis of the balances of cash and cash equivalents		
Short term bank deposits	132,130	87,244
Bank balances and cash	<u>68,810</u>	<u>46,787</u>
	<u><u>200,940</u></u>	<u><u>134,031</u></u>

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

For the six months ended 30th June, 2004

1. BASIS OF PREPARATION

The condensed financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and with Statement of Standard Accounting Practice No. 25 "Interim financial reporting" issued by the Hong Kong Institute of Certified Public Accountants.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed financial statements have been prepared under the historical cost convention, as modified for the revaluation of certain properties and investments in securities.

The accounting policies adopted for the preparation of the interim financial report are consistent with those adopted by the Group in its annual financial statements for the year ended 31st December, 2003.