

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 30th June, 2004

	2004 HK\$	2003 HK\$ (As restated)
OPERATING ACTIVITIES		
Profit before taxation	120,098,683	49,267,721
Adjustments for:		
Results attributable to associates	(90,620,823)	(48,429,081)
Depreciation of property, plant and equipment	3,045,031	2,852,213
Amortisation of loan arrangement fees	1,031,250	1,031,250
Finance income	(375,557)	(679,258)
Finance costs	22,769,475	36,017,440
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Operating cash flows before movements in working capital	55,948,059	40,060,285
Decrease in hotel inventories	192,706	257,389
(Increase) decrease in trade and other receivables	(3,153,249)	3,357,834
(Increase) decrease in amounts due from associates	(4,580,314)	124,160,189
Decrease in trade and other payables	(294,398)	(4,114,140)
Decrease in amount due to an associate	(55,722)	(16,630,610)
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Cash generated from operations	48,057,082	147,090,947
Hong Kong Profits Tax paid	(864,156)	(1,157,590)
Hong Kong Profits Tax refunded	46,143	–
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NET CASH FROM OPERATING ACTIVITIES	47,239,069	145,933,357
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INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(2,611,896)	(2,087,686)
Increase in pledged fixed deposit	(4,252)	(20,112)
Finance income received	375,557	679,258
Dividend received from associates	50,000	16,625,000
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NET CASH (USED IN) FROM INVESTING ACTIVITIES	(2,190,591)	15,196,460
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CONSOLIDATED CASH FLOW STATEMENT *(Continued)*

For the year ended 30th June, 2004

	2004 HK\$	2003 HK\$ (As restated)
FINANCING ACTIVITIES		
Repayment of loans and advances	(155,076,473)	(127,854,702)
Finance costs paid	(22,915,126)	(36,328,257)
Dividend paid	(1,857,133)	(2,768,031)
Finance charges paid	(282,263)	(399,213)
Share issue expenses	(206,794)	(211,750)
New loan raised	150,000,000	–
Advance from an associate	3,711,068	8,214,722
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NET CASH USED IN FINANCING ACTIVITIES	(26,626,721)	(159,347,231)
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NET INCREASE IN CASH AND CASH EQUIVALENTS	18,421,757	1,782,586
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	16,560,303	14,777,717
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CASH AND CASH EQUIVALENTS AT END OF THE YEAR	34,982,060	16,560,303
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ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	35,236,746	16,560,303
Bank overdrafts	(254,686)	–
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	34,982,060	16,560,303
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