

Consolidated Cash Flow Statement

Year ended 31st July, 2004

	Notes	2004 HK\$'000	2003 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(59,564)	(404,488)
Adjustments for:			
Finance costs	9	351,362	473,255
Share of profits and losses of associates		(6,596)	5,745
Amortisation of goodwill on acquisition of an associate		—	26,545
Reversal of/(provision for) impairment of associates		(23,181)	36,804
Loss on disposal of an associate		—	73,265
Loss on deemed disposal of an associate		—	103,695
Loss on disposal of partial interest in an associate		—	16,628
Reversal of impairment of fixed assets	14	(76,484)	—
Release of negative goodwill upon disposal of investment properties	15	(149,983)	—
Reversal of/(provision for) impairment of long term unlisted investments	20	(33,772)	7,772
Gain on disposal of subsidiaries	33(c)	(62,305)	(19,230)
Interest income	8	(4,399)	(36,448)
Dividend income from long term unlisted investments	8	(277)	(100)
Write-back of contingent losses in respect of profit guarantees	8	—	(3,963)
Gain on repurchase of bonds payable	8	—	(9,041)
Depreciation	8	35,017	30,119
Loss/(gain) on disposal of fixed assets	8	175	(5,886)
Loss on disposal of investment properties	8	281,312	—
Loss on disposal of properties under development	8	—	217
Amortisation of goodwill on acquisition of a subsidiary	8	1,717	—
Provision for doubtful debts	8	1,984	—
Write off of/(recovery of) bad debts	8	1,587	(14,045)
Operating profit before working capital changes		256,593	280,844
Decrease/(increase) in pension scheme assets		18,298	(665)
Decrease/(increase) in short term investments		864	(417)
Decrease in completed properties for sale		3,816	3,391
Decrease/(increase) in inventories		(488)	2,362
Decrease/(increase) in debtors and deposits		(3,127)	2,202
Decrease in creditors, deposits received and accruals		(17,501)	(2,043)
Cash generated from operations — page 41		258,455	285,674

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Year ended 31st July, 2004

	Notes	2004 HK\$'000	2003 HK\$'000
Cash generated from operations — page 40		258,455	285,674
Interest received		4,399	4,381
Interest paid on bank and other borrowings		(146,992)	(177,198)
Interest paid to GPEL (<i>note 19</i>)		—	(31,439)
Interest paid on bonds payable		—	(32,280)
Interest paid on convertible bonds		—	(54,378)
Hong Kong profits tax paid		(22,371)	(30,610)
Taxes paid outside Hong Kong		—	(6)
		<u>93,491</u>	<u>(35,856)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of fixed assets	14	(22,898)	(35,781)
Additions to investment properties	15	(7,291)	(2,052)
Additions to properties under development	16	(24)	(876)
Proceeds from disposal of fixed assets		432	8,143
Proceeds from disposal of investment properties		1,289,500	—
Proceeds from disposal of properties under development		—	95,300
Acquisition of subsidiaries	33(b)	(10,300)	(548,073)
Disposal of subsidiaries	33(c)	180,368	4,120
Proceeds from disposal of associates		35,000	196,190
Dividends received from associates		—	2,224
Advances to associates		(45,371)	(35,744)
Repayment from investee companies		110,600	45,402
Dividends received from long term unlisted investments		277	100
Decrease/(increase) in pledged bank balances and time deposits		20,733	(27,330)
		<u>1,551,026</u>	<u>(298,377)</u>
Net cash inflow/(outflow) from investing activities			

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Year ended 31st July, 2004

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CASH FLOWS FROM FINANCING ACTIVITIES			
New bank and other borrowings		660,000	795,626
Repayment of bank and other borrowings		(1,825,099)	(320,862)
Repayment of bonds payable		—	(118,354)
Repayment of convertible bonds payable		—	(58,500)
Repayment of premium on bonds redemption		—	(21,154)
Bank charges and refinancing charges		(42,607)	(48,144)
Dividends paid to minority shareholders		—	(354)
Repayment to minority shareholders		(17,252)	(21,541)
		<u>(1,224,958)</u>	<u>206,717</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
		419,559	(127,516)
Cash and cash equivalents at beginning of year		110,927	238,384
Effect of foreign exchange rate changes, net		(40)	59
		<u>530,446</u>	<u>110,927</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR			
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	25	104,867	74,865
Non-pledged time deposits with original maturity of less than three months when acquired	25	425,579	36,062
		<u>530,446</u>	<u>110,927</u>