

Consolidated Cash Flow Statement

Year ended 31st July, 2004

	Notes	2004 HK\$'000	2003 HK\$'000 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		240,445	41,332
Adjustments for:			
Finance costs	8	31,758	38,728
Share of profit of an associate		(30,125)	—
Impairment loss/(write-back of impairment loss) in amounts due from associates		(11,865)	31,377
Write-back of provision for impairment in an interest in a jointly-controlled entity		(42,555)	—
Loss on disposal of a jointly-controlled entity		—	3,772
Gain on disposal of partial interest in a subsidiary		—	(27,095)
Loss on disposal of a subsidiary		290	—
Interest income	6	(21,580)	(21,732)
Depreciation	7	3,930	4,025
Write-back of provision for a deposit paid	7	—	(3,632)
Write-back of provision for a completed property for sale	7	(2,533)	—
Negative goodwill recognised as income	7	(270)	(270)
		<u>167,495</u>	<u>66,505</u>
Operating profit before working capital changes		167,495	66,505
Decrease in completed properties for sale		152,971	4,019
Decrease/(increase) in debtors, deposits and prepayments		(64,690)	14,207
Increase/(decrease) in deposits received, short term rental deposits received and creditors and accruals		55,717	(14,909)
Increase in long term rental deposits received		1,481	1,931
		<u>312,974</u>	<u>71,753</u>
Cash generated from operations		312,974	71,753
Hong Kong profits tax paid		(900)	—
Profits taxes paid outside Hong Kong		(13,480)	(1,179)
		<u>298,594</u>	<u>70,574</u>
Net cash inflow from operating activities		298,594	70,574

Consolidated Cash Flow Statement

Year ended 31st July, 2004

	Notes	2004 HK\$'000	2003 HK\$'000 (Restated)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		647	773
Purchases of fixed assets	14	(6,939)	(6,424)
Proceeds from disposal of fixed assets		180	51
Additions to investment properties		(3,081)	(5,773)
Additions to properties under development		(49,502)	(187,564)
Acquisition of a subsidiary	32(a)	—	(2,300)
Proceeds from disposal of a subsidiary	32(b)	2,010	—
Acquisition of additional interest in a subsidiary		—	(13,757)
Proceeds from disposal of partial interest in a subsidiary		—	111,000
Proceeds from disposal of a jointly-controlled entity		—	3,110
Repayment from/(advances to) associates		(2,375)	3,603
Decrease/(increase) in pledged time deposits and bank balances		(5,667)	232
Net cash outflow from investing activities		(64,727)	(97,049)
CASH FLOWS FROM FINANCING ACTIVITIES			
Gross proceeds from issue of shares	29	133,029	76,771
Share issue expenses	29	(3,957)	(3,413)
New bank loans		164,954	216,777
Repayment of bank loans		(103,686)	(62,570)
New loans from a substantial shareholder		25,450	35,284
Repayment of loans to a substantial shareholder		(30,296)	(106,000)
Interest paid		(48,551)	(48,419)
Net cash inflow from financing activities		136,943	108,430
NET INCREASE IN CASH AND CASH EQUIVALENTS		370,810	81,955
Cash and cash equivalents at beginning of year		177,508	96,284
Effect of foreign exchange rate changes, net		412	(731)
CASH AND CASH EQUIVALENTS AT END OF YEAR		548,730	177,508
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	22	478,134	129,481
Non-pledged time deposits with original maturity of less than three months when acquired	22	70,596	48,027
		548,730	177,508