

Consolidated Cash Flow Statement For the year ended 31st December 2004

| Note | 2004 HK\$'000 | 2003 HK\$'000 |
|--|------------------|------------------|
| Operating activities | | |
| Profit before taxation | 469,833 | 545,705 |
| Adjustments for: | | |
| Share of results of associates | (7,434) | 752 |
| Gain on disposal of an investment property | (38,794) | – |
| Gain on disposal of property investment subsidiaries | (69,256) | – |
| Gain on disposal of listed investments | (2,549) | – |
| Gain on disposal of fixed assets | (48) | – |
| Interest income | (12,666) | (12,855) |
| Interest expenses | 394,303 | 315,026 |
| Dividends received from unlisted investments | (292) | (585) |
| Dividends received from listed investments | (589) | (572) |
| Loss on partial disposal of an associate | – | 4 |
| Allowance for doubtful debts | 2,537 | 2,013 |
| Depreciation on fixed assets | 18,392 | 5,168 |
| Fitting-out works of investment and hotel properties written off | 45,395 | 16,000 |
| Operating cash flows before movements in working capital | 798,832 | 870,656 |
| Increase in inventories | (17,298) | (14,942) |
| Increase in debtors, deposits and prepayments | (40,434) | (8,168) |
| Increase in bills payables, creditors, deposits and accruals | 170,273 | 50,426 |
| Cash generated from operations | 911,373 | 897,972 |
| Interest paid | (513,134) | (512,356) |
| Hong Kong Profits Tax paid | (81,041) | (102,284) |
| Other jurisdictions tax paid | (35,131) | (26,224) |
| Other jurisdictions tax refunded | 2,989 | 15,476 |
| Net cash from operating activities | 285,056 | 272,584 |

| | Note | 2004 HK\$'000 | 2003 HK\$'000 |
|---|------|------------------|--------------------|
| Investing activities | | | |
| Interest received | | 12,550 | 17,458 |
| Dividends received from unlisted investments | | 292 | 585 |
| Dividends received from listed investments | | 589 | 572 |
| Dividends received from associates | | 2,182 | 2,799 |
| Purchase of fixed assets | | (1,373,501) | (1,654,740) |
| Proceeds on partial disposal of an associate | | – | 1 |
| Investments in associates | | (2,649) | – |
| (Advance to) repayment from an associate | | (5,235) | 2,851 |
| Capital return from an other investment | | 3,897 | 3,900 |
| Proceeds on disposal of investment property | | 192,149 | – |
| Proceeds on disposal of property investment subsidiaries | 24 | 174,795 | – |
| Proceeds on disposal of listed investments | | 5,983 | – |
| Proceeds on disposal of fixed assets | | 48 | – |
| (Increase) decrease in pledged bank deposits | | (4) | 1,010 |
| Net cash used in investing activities | | (988,904) | (1,625,564) |
| Financing activities | | | |
| Dividends paid to shareholders | | (34,472) | (70,866) |
| Issue of shares | | 6,207 | 105 |
| Share issue expenses | | (58) | (44) |
| Change in equity holding and net repayment to minority shareholders | | (4,126) | (8,340) |
| New bank loans raised | | 3,039,561 | 3,569,963 |
| Repayments of bank loans | | (1,604,634) | (2,137,169) |
| Net cash from financing activities | | 1,402,478 | 1,353,649 |
| Increase in cash and cash equivalents | | 698,630 | 669 |
| Effect of foreign exchange rates changes | | 28,107 | 16,009 |
| Cash and cash equivalents at the beginning of the year | | 636,056 | 619,378 |
| Cash and cash equivalents at the end of the year | | 1,362,793 | 636,056 |
| Analysis of the balance of cash and cash equivalents | | | |
| Being: | | | |
| Bank balances and cash | | 1,391,317 | 637,149 |
| Bank overdrafts | | (28,524) | (1,093) |
| | | 1,362,793 | 636,056 |