

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2004

| | NOTES | 2004 HK\$'000 | 2003 (Restated) HK\$'000 |
|---|-------|------------------|--------------------------------|
| Operating activities | | | |
| Profit before taxation | | 407,078 | 370,534 |
| Adjustments for | | | |
| Depreciation of property, plant and equipment | | 2,177 | 1,839 |
| Interest income | | (12,696) | (9,145) |
| Dividend income | | – | (806) |
| Finance costs | | 102,604 | 65,933 |
| Amortisation of goodwill | | 150 | 149 |
| Negative goodwill released to income | | (12,173) | (6,972) |
| Amortisation of toll highway operation right | | – | 1,923 |
| Gain on disposal of interest in a subsidiary | 30 | – | (315) |
| Gain on disposal of interest in an infrastructure joint venture | 31 | – | (1,486) |
| Gain on disposal of investment in listed securities | | (1,322) | (706) |
| Realised gain on investment in securities | | (6,618) | (572) |
| Share of operating profit of infrastructure joint ventures | | (559,615) | (432,750) |
| Gain on disposal of property, plant and equipment | | (79) | (201) |
| Operating cash flows before movements in working capital | | (80,494) | (12,575) |
| (Increase) decrease in inventories and ginseng crops | | (5,047) | 8,793 |
| Decrease in debtors, deposits and prepayments | | 6,615 | 71,553 |
| Decrease in creditors and accrued charges | | (724) | (17,440) |
| Net cash (used in) from operating activities | | (79,650) | 50,331 |
| Investing activities | | | |
| Interest received | | 10,784 | 11,207 |
| Dividends received from listed securities | | – | 806 |
| Dividends received from infrastructure joint ventures | | 321,802 | 129,455 |
| Proceeds on disposal of investment in securities | | 631,309 | 83,020 |
| Proceeds on disposal of interest in a subsidiary | 30 | – | 55,975 |
| Proceeds on disposal of property, plant and equipment | | 581 | 246 |
| Purchases of property, plant and equipment | | (27,040) | (12,725) |
| Purchases of investment in securities | | (623,369) | – |
| Additional investments in infrastructure joint ventures | | – | (360,122) |
| Loans to infrastructure joint ventures | | (10,756) | (803,023) |
| Repayment of loans from infrastructure joint ventures | | 391,997 | 490,277 |
| Investment in properties under development for sale | | (191,752) | – |
| Decrease in charged deposits | | 11,574 | 58,091 |
| Net cash from (used in) investing activities | | 515,130 | (346,793) |

| | 2004 | 2003 |
|---|------------------|------------------------|
| | HK\$'000 | (Restated) HK\$'000 |
| Financing activities | | |
| New loans raised | 1,593,695 | 361,050 |
| Repayment of loans | (699,044) | (488,143) |
| Issue of ordinary shares | 10,226 | 78,809 |
| Interest paid | (95,304) | (58,181) |
| Dividends paid | (152,246) | (141,693) |
| | <hr/> | <hr/> |
| Net cash from (used in) financing activities | 657,327 | (248,158) |
| | <hr/> | <hr/> |
| Net increase (decrease) in cash and cash equivalents | 1,092,807 | (544,620) |
| | <hr/> | <hr/> |
| Cash and cash equivalents at beginning of the year | 431,833 | 973,971 |
| Effect of foreign exchange rate changes | 251 | 2,482 |
| | <hr/> | <hr/> |
| Cash and cash equivalents at end of the year | 1,524,891 | 431,833 |
| | <hr/> <hr/> | <hr/> <hr/> |
| Represented by: | | |
| Bank balances and cash | 1,524,891 | 431,833 |
| | <hr/> <hr/> | <hr/> <hr/> |