

# Consolidated cash flow statement

For the year ended 31 December 2004  
(Expressed in Hong Kong dollars)

	Note	2004 \$'000	2003 \$'000
<b>Operating activities</b>			
Loss from ordinary activities before taxation		(67,924)	(7,296)
Adjustments for:			
Depreciation and amortization		95,181	93,846
Goodwill amortization		31,621	31,621
(Gain)/loss on disposal of fixed assets		(18)	6,491
Interest income		(1,638)	(1,725)
Finance costs		20,892	26,436
Interest payable waived		(9,032)	–
Operating profit before changes in working capital		69,082	149,373
Decrease/(increase) in consumables		402	(6,889)
(Increase)/decrease in trade and other receivables		(122,990)	71,390
Increase/(decrease) in trade and other payables		18,383	(1,339)
Decrease in provision for staff welfare		(5,124)	(4,440)
<i>Cash (used in)/generated from operations</i>		(40,247)	208,095
PRC income tax paid		(6,275)	(30,921)
<i>Net cash (used in)/generated from operating activities</i>		(46,522)	177,174
<b>Investing activities</b>			
Interest received		1,638	1,725
Purchase of fixed assets		(726)	(2,244)
Proceeds from sales of fixed assets		18	1,552
<i>Net cash generated from investing activities</i>		930	1,033
<b>Financing activities</b>			
Interest paid		(21,099)	(19,374)
Dividends paid		(12,452)	(14,922)
Dividends paid to minority shareholder		(2,253)	(14,592)
Proceeds from new bank loans		97,323	162,830
Repayment of bank loans		(50,533)	(168,445)
Repayment of other loans		(87,794)	(71,378)
Proceeds from shares issued under share option scheme		395	–
<i>Net cash used in financing activities</i>		(76,413)	(125,881)
<b>Net (decrease)/increase in cash and cash equivalents</b>		(122,005)	52,326
<b>Cash and cash equivalents at 1 January</b>		220,263	167,937
<b>Cash and cash equivalents at 31 December</b>	18	98,258	220,263

The notes on pages 32 to 57 form part of these accounts.