

## CONSOLIDATED CASH FLOW STATEMENT

*For the year ended 31st December, 2004*

	<i>Notes</i>	2004 HK\$'000	2003 HK\$'000
<b>OPERATING ACTIVITIES</b>			
Profit from operations		136,666	103,673
Adjustments for:			
Interest income		(502)	(7,145)
Depreciation and amortisation		25,355	22,410
Loss on disposal of property, plant and equipment		604	1,459
Operating cash flows before movements in working capital		162,123	120,397
(Increase) decrease in inventories — consumable stores		(136)	622
Increase in trade and other receivables		(9,633)	(1,469)
Decrease in amounts due from related companies		—	1,515
Increase (decrease) in trade and other payables		1,933	(986)
Increase in rental received in advance		398,780	—
Increase (decrease) in amount due to a related company		1,031	(1,274)
Cash generated from operations		554,098	118,805
PRC Enterprises Income Tax paid		(3,844)	(4)
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>550,254</b>	<b>118,801</b>

## Consolidated Cash Flow Statement

For the year ended 31st December, 2004

	Notes	2004 HK\$'000	2003 HK\$'000
<b>INVESTING ACTIVITIES</b>			
Disposal of interests in subsidiaries (net of cash and cash equivalents disposed of)	28	(62,338)	—
Addition to property, plant and equipment		(24,124)	(22,515)
(Increase) decrease in pledged bank deposit		(7,923)	7,822
Acquisition of subsidiaries (net of cash and cash equivalents acquired)	27	83,829	—
Repayment from related companies		37,878	216,667
Interest received		502	544
Proceeds from disposal of property, plant and equipment		191	177
Advances to related companies		—	(20,610)
<b>NET CASH FROM INVESTING ACTIVITIES</b>		<b>28,015</b>	<b>182,085</b>
<b>FINANCING ACTIVITIES</b>			
Repayment of bank loans		(113,064)	(70,237)
Amount repaid to related companies		(95,682)	(10,483)
Bank interest paid		(9,060)	(9,731)
New bank loans raised		113,064	56,190
Advances from related companies		2,535	15,834
Amount repaid to former ultimate holding company		—	(318,568)
Advances from former ultimate holding company		—	2,118
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<b>(102,207)</b>	<b>(334,877)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>476,062</b>	<b>(33,991)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>		<b>21,446</b>	<b>56,347</b>
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>		<b>(139)</b>	<b>(910)</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank balances and cash</b>		<b>497,369</b>	<b>21,446</b>