

# CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2004



|  | 2004<br>HK\$'000   | 2003<br>HK\$'000 |
|--|--------------------|------------------|
| OPERATING ACTIVITIES   |                    |                  |
| Profit before taxation   | <b>1,872,318</b>   | 870,260          |
| Adjustments for:   |                    |                  |
| Depreciation for property, plant and equipment                   | <b>187,828</b>     | 39,382           |
| Effect on foreign exchange rate change                           | <b>(7,007)</b>     | —                |
| Interest expenses  | <b>123,082</b>     | 34,488           |
| Interest income  | <b>(20,635)</b>    | (1,548)          |
| Amortisation of goodwill of subsidiaries                         | <b>5,869</b>       | 5,869            |
| Release of negative goodwill of subsidiaries                     | <b>(1,352)</b>     | —                |
| Share of results of associates                                   | <b>(1,103,912)</b> | (733,858)        |
| Share of result of jointly controlled entity                     | <b>(370,806)</b>   | (92,525)         |
| Amortisation of goodwill of associates                           | <b>26,411</b>      | 29,825           |
| Release of negative goodwill of associates                       | <b>(3,706)</b>     | (2,105)          |
| Loss on disposals of property, plant and equipment               | <b>51</b>          | —                |
| Loss on partial disposal of interest in an associate             | <b>—</b>           | 23,676           |
| Operating cash flows before movements in working capital         | <b>708,141</b>     | 173,464          |
| Increase in inventories  | <b>(144,288)</b>   | (10,054)         |
| Increase in trade receivables, other receivables and prepayments | <b>(465,420)</b>   | (306,435)        |
| Decrease in amounts due from associates                          | <b>656</b>         | 939              |
| Decrease (increase) in amounts due from fellow subsidiaries      | <b>1,874</b>       | (2,007)          |
| Increase in amount due from immediate holding company            | <b>(453)</b>       | —                |
| Decrease (increase) in amount due from ultimate holding company  | <b>62</b>          | (62)             |
| (Increase) decrease in amounts due from related companies        | <b>(5)</b>         | 436              |
| Increase in trade payables, other payables and accruals          | <b>361,757</b>     | 97,182           |
| Increase in amount due to immediate holding company              | <b>—</b>           | 1,668            |
| Decrease in amount due to a fellow subsidiary                    | <b>(4)</b>         | (44)             |
| (Decrease) increase in amounts due to associates                 | <b>(6,401)</b>     | 8,451            |
| Decrease in amounts due to shareholders of an associate          | <b>(3,978)</b>     | —                |
| Increase in amounts due to minority shareholders of subsidiaries | <b>1,240</b>       | —                |
| <b>NET CASH FROM (USED IN) OPERATING ACTIVITIES</b>              | <b>453,181</b>     | (36,462)         |

# CONSOLIDATED CASH FLOW STATEMENT (CONT'D)

For the year ended 31 December 2004



|  | NOTE | 2004<br>HK\$'000   | 2003<br>HK\$'000   |
|--|------|--------------------|--------------------|
| <b>INVESTING ACTIVITIES</b>  |      |                    |                    |
| Capital repatriated from associates  |      | 634,975            | 549,588            |
| Dividends received from associates   |      | 405,098            | 136,548            |
| Dividend received from jointly controlled entity   |      | 57,915             | —                  |
| Interest received  |      | 20,635             | 1,548              |
| Proceeds from disposal of property, plant and equipment                                  |      | 1,065              | —                  |
| Purchase of property, plant and equipment  |      | (5,902,866)        | (3,656,048)        |
| Acquisitions of subsidiaries/business  | 33   | (180,000)          | —                  |
| Capital contribution for the investment in an associate                                  |      | (88,641)           | —                  |
| Repayment of amount due to immediate holding company                                     |      | (77,563)           | —                  |
| Increase in pledged bank deposits  |      | (23,483)           | (39,246)           |
| Purchase of additional interest in associates  |      | —                  | (108,569)          |
| Proceeds of partial disposal of interest in an associate                                 |      | —                  | 373,447            |
| Repayment of loan to an associate  |      | —                  | 15,812             |
| <b>NET CASH USED IN INVESTING ACTIVITIES</b>   |      | <b>(5,152,865)</b> | <b>(2,726,920)</b> |
| <b>FINANCING ACTIVITIES</b>  |      |                    |                    |
| New bank and other loans raised  |      | 7,963,855          | 4,091,724          |
| Capital contribution from minority shareholders  |      | 127,541            | 54,047             |
| Loans raised from minority shareholders of subsidiaries                                  |      | 18,830             | 21,585             |
| Proceeds on issue of shares  |      | 224                | 2,962,400          |
| Repayment of bank loans  |      | (3,198,410)        | (1,013,040)        |
| Interest paid  |      | (327,736)          | (124,037)          |
| Repayment of loans raised from minority shareholders of subsidiaries                     |      | (239,473)          | (102,874)          |
| Interim dividend paid  |      | (95,200)           | —                  |
| Expenses incurred in connection with the issue of shares                                 |      | —                  | (107,474)          |
| Loans raised from immediate holding company  |      | —                  | 676,696            |
| Repayment of loans from immediate holding company  |      | —                  | (97,500)           |
| <b>NET CASH FROM FINANCING ACTIVITIES</b>  |      | <b>4,249,631</b>   | <b>6,361,527</b>   |
| <b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>                              |      | <b>(450,053)</b>   | <b>3,598,145</b>   |
| CASH AND CASH EQUIVALENTS AT 1 JANUARY   |      | 3,695,900          | 101,635            |
| EFFECT ON FOREIGN EXCHANGE RATE CHANGE   |      | 707                | (3,880)            |
| <b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER,<br/>REPRESENTING BANK BALANCES AND CASH</b> |      | <b>3,246,554</b>   | <b>3,695,900</b>   |