

Consolidated Cash Flow Statement

For the Year Ended 31st December, 2004

	2004 <i>HK\$'000</i>	2003 <i>HK\$'000</i>
OPERATING ACTIVITIES		
Profit (loss) from operations	239,200	(1,751)
Adjustments for:		
Unrealised gain on trading securities	(890)	(1,124)
Realised gain on other securities	–	(3,001)
Release of negative goodwill to income	(13,247)	(4,206)
(Gain) loss on disposal of investment properties	(182,174)	26,165
Depreciation of property, plant and equipment	1,629	1,659
Interest income	(2,832)	(3,579)
Dividend income	(4)	(279)
Operating cash flows before movements in working capital	41,682	13,884
Decrease in inventories	9	74
Decrease in properties for sale	66,142	–
Decrease in investments in trading securities	1,183	7,846
(Increase) decrease in trade and other receivables	(98,614)	1,415
Increase in deposits and prepayments	(601)	(262)
Increase in trade balance due from an associate	(6)	–
(Decrease) increase in trade and other payables	(1,412)	155
Decrease in rental and other deposits received	(567)	(2,067)
Cash generated from operations	7,816	21,045
Hong Kong Profits Tax paid	(1,581)	(6,569)
Hong Kong Profits Tax refunded	784	–
Interest received	2,832	3,579
Dividends received	4	279
NET CASH FROM OPERATING ACTIVITIES	9,855	18,334
INVESTING ACTIVITIES		
Additions to property, plant and equipment	(383,506)	(760)
Additions to investment properties	(15,081)	(3,477)
Deposit for acquisition of assets	(20,000)	–
Proceeds from disposal of property, plant and equipment	109	–
Proceeds from disposal of investment properties	283,684	51,402
Proceeds from disposal of other securities	–	9,198
Partial disposal of interest in a subsidiary	260	–
Expenditure on properties under development	(17,273)	(269,367)
Dividend received from an associate	56,800	1,100
Repayment from associates	87,055	2,800
(Increase) decrease in pledged bank deposits	(19)	2,734
NET CASH USED IN INVESTING ACTIVITIES	(7,971)	(206,370)

Consolidated Cash Flow Statement (Continued)

For the Year Ended 31st December, 2004

	2004 <i>HK\$'000</i>	2003 <i>HK\$'000</i>
FINANCING ACTIVITIES		
New bank loans raised	304,000	194,624
Repayment of bank loans	(178,599)	(943)
Interest paid	(5,421)	(3,307)
Expenses of issue of shares by a subsidiary	–	(46)
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NET CASH FROM FINANCING ACTIVITIES	119,980	190,328
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NET INCREASE IN CASH AND CASH EQUIVALENTS	121,864	2,292
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CASH AND CASH EQUIVALENTS AT 1ST JANUARY	12,209	9,917
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CASH AND CASH EQUIVALENTS AT 31ST DECEMBER	134,073	12,209
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ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	134,218	12,335
Less: Pledged bank deposits	(145)	(126)
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	134,073	12,209
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