

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	240,371	(807)
Adjustments for:		
Unrealised gain on trading securities	(829)	(1,106)
Realised gain on other securities	–	(3,001)
Negative goodwill released to income	(13,332)	(4,316)
(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)
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Operating cash flows before movements in working capital	42,829	14,736
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	(98,612)	1,424
Increase in deposits and prepayments	(456)	(402)
Increase in trade balance due from a shareholder	(227)	(200)
Increase in trade balance due from an associate	(6)	–
(Decrease) increase in trade and other payables	(1,541)	146
Decrease in rental and other deposits received	(567)	(2,067)
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Cash generated from operations	8,754	21,557
Hong Kong Profits Tax paid	(1,581)	(6,658)
Hong Kong Profits Tax Refunded	781	–
Interest received	2,832	3,579
Dividends received	4	279
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NET CASH FROM OPERATING ACTIVITIES	10,790	18,757
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	219	–
Expenditure on properties under development	(17,273)	(269,368)
Dividend received from an associate	56,800	1,100
Repayment from an associate	87,055	2,800
(Increase) decrease in pledged bank deposits	(19)	2,734
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NET CASH USED IN INVESTING ACTIVITIES	(8,012)	(206,371)

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)
Repayment to a shareholder	(1,525)	(120)
Interest paid	(5,642)	(3,669)
Proceeds from disposal of own shares	918	–
Expenses of issue of shares by a subsidiary	–	(46)
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NET CASH FROM FINANCING ACTIVITIES	119,152	189,846
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NET INCREASE IN CASH AND CASH EQUIVALENTS	121,930	2,232
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CASH AND CASH EQUIVALENTS AT 1ST JANUARY	12,142	9,910
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CASH AND CASH EQUIVALENTS AT 31ST DECEMBER	134,072	12,142
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ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	134,217	12,268
Less: Pledged bank deposits	(145)	(126)
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	134,072	12,142
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