

Consolidated Cash Flow Statement

For the year ended 31 December 2003

(Expressed in Hong Kong dollars)

| | 2003 \$'000 | 2002 \$'000 |
|---|----------------|----------------|
| <i>Note</i> | | |
| Operating activities | | |
| Profit from ordinary activities before taxation | 44,208 | 24,122 |
| Adjustments for: | | |
| – Interest income | (2,810) | (1,828) |
| – Dividend income from non-trading listed investments | (17) | (13) |
| – Depreciation | 77,843 | 50,479 |
| – Finance costs | 8,467 | 10,795 |
| – Share of profits less losses of associates | (11,741) | (18,886) |
| – Loss on disposal of fixed assets | 5 | – |
| – Effect of foreign exchange rates | 4,246 | (796) |
| – Gain arising from liquidation of a subsidiary | – | (2,187) |
| | <hr/> | <hr/> |
| Operating profit before changes in working capital | 120,201 | 61,686 |
| Increase in properties under development | (72,784) | (29,269) |
| Decrease in properties held for sale | 134,641 | 94,460 |
| (Increase)/decrease in inventories | (1,109) | 160 |
| Increase in trade and other receivables | (22,885) | (954) |
| Increase/(decrease) in trade and other payables | 26,636 | (7,474) |
| Decrease in amounts due to an affiliated company | (8,862) | (17,260) |
| | <hr/> | <hr/> |
| Cash generated from operations | 175,838 | 101,349 |
| Overseas tax paid | (1,453) | (3,712) |
| | <hr/> | <hr/> |
| Net cash generated from operating activities | 174,385 | 97,637 |
| | <hr/> | <hr/> |
| Investing activities | | |
| Purchase of fixed assets | (79,765) | (7,943) |
| Proceeds from disposal of fixed assets | – | 34 |
| Repayment from associates | 31,332 | 23,658 |
| Interest received | 2,810 | 1,828 |
| Dividends received from non-trading listed investments | 17 | 13 |
| Proceeds from share redemption of an associate | – | 3,988 |
| | <hr/> | <hr/> |
| Net cash (used in)/generated from investing activities | (45,606) | 21,578 |
| | <hr/> | <hr/> |

Consolidated Cash Flow Statement (Continued)

For the year ended 31 December 2003

(Expressed in Hong Kong dollars)

| | <i>Note</i> | 2003 \$'000 | 2002 \$'000 |
|--|-------------|------------------------------|----------------|
| Financing activities | | | |
| Draw down of new bank loan | | 50,872 | 20,000 |
| Repayment of bank loans | | (40,657) | (10,096) |
| Advance from minority shareholders | | 14,642 | 12,036 |
| Interest paid | | (8,467) | (13,736) |
| Dividends paid | | (3,402) | (3,402) |
| Dividends paid to minority shareholders | | (16,458) | (20,573) |
| Net cash used in financing activities | | (3,470) | (15,771) |
| Net increase in cash and cash equivalents | | 125,309 | 103,444 |
| Cash and cash equivalents at 1 January | | 162,271 | 58,827 |
| Cash and cash equivalents at 31 December | <i>19</i> | 287,580 | 162,271 |

The notes on pages 24 to 68 form part of these financial statements.