

# CONSOLIDATED CASH FLOW STATEMENT

For the year ended 30 June 2004

|  | 2004<br><i>HK\$'000</i> | 2003<br><i>HK\$'000</i> |
|--|-------------------------|-------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>  |                         |                         |
| Net profit (loss) for the year   | <b>10,912</b>           | (64,185)                |
| Adjustments for:   |                         |                         |
| Gain on disposal of leasehold land and buildings   | <b>(8,891)</b>          | –                       |
| Reversal of impairment loss previously recognised in respect of leasehold land and buildings | <b>(40,991)</b>         | –                       |
| Impairment loss recognised in respect of investment securities                               | <b>5,300</b>            | 800                     |
| Impairment loss recognised in respect of leasehold land and buildings                        | –                       | 36,601                  |
| Impairment loss recognised in respect of club debenture                                      | –                       | 1,100                   |
| Interest expense   | <b>5,780</b>            | 12,841                  |
| Interest income  | –                       | (10)                    |
| Depreciation   | <b>2,579</b>            | 3,941                   |
| Allowance for doubtful debts   | –                       | 91                      |
|  | <hr/>                   | <hr/>                   |
| Operating cash flows before movements in working capital                                     | <b>(25,311)</b>         | (8,821)                 |
| Increase in properties under development   | <b>(180,108)</b>        | (59,625)                |
| Decrease (increase) in other receivables, deposits and prepayments                           | <b>4,214</b>            | (4,082)                 |
| Increase in other payables   | <b>94,519</b>           | 5,637                   |
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| <b>NET CASH USED IN OPERATING ACTIVITIES</b>   | <b>(106,686)</b>        | (66,891)                |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>  |                         |                         |
| Interest received  | –                       | 10                      |
| Purchase of property, plant and equipment  | <b>(1)</b>              | (4)                     |
| Proceeds from disposal of property, plant and equipment                                      | <b>38,000</b>           | –                       |
| Increase in pledged bank deposits  | <b>(10,631)</b>         | –                       |
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| <b>NET CASH FROM INVESTING ACTIVITIES</b>  | <b>27,368</b>           | 6                       |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>  |                         |                         |
| Interest paid  | <b>(137,015)</b>        | (2,963)                 |
| Other loans raised   | <b>209,801</b>          | 74,670                  |
| Bank loans raised  | <b>623,351</b>          | 6,460                   |
| Repayment of bank loans  | <b>(631,593)</b>        | (773)                   |
| Advances from directors of subsidiaries  | <b>15,352</b>           | –                       |
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| <b>NET CASH FROM FINANCING ACTIVITIES</b>  | <b>79,896</b>           | 77,394                  |
| <b>NET CASH INCREASE IN CASH AND CASH EQUIVALENTS</b>  | <b>578</b>              | 10,509                  |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>                                    | <b>422</b>              | (10,087)                |
|  | <hr/>                   | <hr/>                   |
| <b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>  | <b>1,000</b>            | 422                     |
|  | <hr/>                   | <hr/>                   |
| <b>ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS</b>                                 |                         |                         |
| Bank balances and cash   | <b>1,000</b>            | 422                     |
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