

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st December, 2004

	2004 HK\$'000	2003 HK\$'000
OPERATING ACTIVITIES		
(Loss) profit before taxation	(149,830)	43,239
Adjustments for:		
Finance costs	7,673	3,913
Share of result of a jointly controlled entity	(28,990)	(18,980)
Share of results of associates	13,442	17,732
Interest income	(5,876)	(7,177)
Waiver of the amount due to a jointly controlled entity	(3,637)	–
Gain on disposal of interests in subsidiaries	(45)	(160,632)
Loss on disposal of investment properties	427	17,102
Loss on disposal of property, plant and equipment	718	–
Depreciation of property, plant and equipment	26,405	11,893
Amortisation of franchise fee	1,200	250
Amortisation of goodwill	88	–
Negative goodwill recognised as income	(5,235)	(8,985)
Revaluation (increase) decrease recognised in respect of investment properties	(2,246)	1,571
Operating cash flows before movements in working capital	(145,906)	(100,074)
Decrease (increase) in other non-current assets	11,280	(11,280)
Increase in inventories	(144,056)	(83,417)
Decrease (increase) in trade, other receivables and deposits	229,830	(341,251)
(Increase) decrease in amounts due from a related company	–	3,769
Increase in trade and other payables	381,088	338,125
Increase (decrease) in amount due to a related company	10,266	(8,909)
NET CASH FROM (USED IN) OPERATING ACTIVITIES	342,502	(203,037)

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	Notes	2004 HK\$'000	2003 HK\$'000
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(359,452)	(137,245)
Increase in restricted bank deposits		(10,041)	–
Disposal of interests in subsidiaries	30	(2,451)	61,810
Acquisition of a subsidiary	29	(649)	–
Repayment from (advance to) an associate		46,980	(69,749)
Interest received		5,876	7,177
Proceeds on disposal of property, plant and equipment		4,042	166
Proceeds on disposal of investment properties		841	30,327
Acquisition of other non-current assets		–	(12,000)
Repayment from a jointly controlled entity		–	58,706
Acquisition of interest in an associate		–	(15,508)
NET CASH USED IN INVESTING ACTIVITIES		(314,854)	(76,316)
FINANCING ACTIVITIES			
New bank loans raised		23,542	–
Interest paid		(896)	(165)
Repayment to ultimate holding company		(94)	(4)
Repayment to a minority shareholder of a subsidiary		(4)	(13)
Capital injected by minority shareholders of subsidiaries		–	29,423
NET CASH FROM FINANCING ACTIVITIES		22,548	29,241
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		50,196	(250,112)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		(297)	–
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		81,770	331,882
CASH AND CASH EQUIVALENTS AT END OF THE YEAR			
Representing bank balances and cash		131,669	81,770