

Consolidated Cash Flow Statement

Year ended 31 December, 2004

	Notes	2004 HK\$'000	2003 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		315,003	173,234
Adjustments for:			
Finance costs	7	1,348	1,380
Share of profit of a jointly-controlled entity		(54,985)	(7,411)
Interest income	5	(3,899)	(2,652)
Dividend income from unlisted investments	5	(10,727)	(6,791)
Depreciation	6	25,774	24,049
Amortisation of goodwill		5,388	1,182
Amortisation of intangible assets	6	1,323	474
Gain on disposal of a subsidiary	5, 34	(805)	–
Loss on disposal of fixed assets	6	2,203	902
(Reversal of)/deficit on revaluation of leasehold buildings	5	(712)	712
Operating profit before working capital changes		279,911	185,079
Increase in inventories		(1,357)	(12,444)
Increase in trade receivables		(43,377)	(2,883)
(Increase)/decrease in other receivables		(19,711)	323
(Decrease) in trade payables		(3,871)	(3,013)
Increase/(decrease) in taxes payable other than profits tax		2,102	(3,247)
Increase in other payables and accruals		41,514	39,199
Increase in amounts due to related companies		637	4,404
Cash generated from operations		255,848	207,418
Mainland China profits tax paid		(28,576)	(17,929)
Net cash inflow from operating activities		227,272	189,489
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	5	3,899	2,652
Dividend received from an unlisted investment	5	10,727	6,791
Purchases of fixed assets and construction in progress	14	(102,667)	(42,893)
Purchases of intangible assets	15	(1,371)	(1,869)
Proceeds from disposal of fixed assets		199	478
Addition of deferred development costs	16	(940)	(11,024)
Acquisition of interest in a jointly-controlled entity		–	(74,904)
Proceeds from disposal of a subsidiary	34	659	–
Acquisition of minority interests		–	15
Net cash outflow from investing activities		(89,494)	(120,754)

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Year ended 31 December, 2004

	Notes	2004 HK\$'000	2003 HK\$'000
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		–	8,880
Repayment of bank loans		–	(4,712)
Interest paid	7	(1,348)	(1,380)
Dividends paid		(87,302)	(46,480)
Dividends paid to minority shareholders		(61,922)	(46,890)
Proceeds from issue of a convertible bond		–	31,200
Net cash outflow from financing activities		(150,572)	(59,382)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS			
		(12,794)	9,353
Cash and cash equivalents at beginning of year		288,849	280,525
Effect of foreign exchange rate changes, net		159	(1,029)
CASH AND CASH EQUIVALENTS AT END OF YEAR		276,214	288,849
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	24	183,696	170,313
Time deposits with original maturity of less than three months when acquired	24	92,518	118,536
		276,214	288,849