

# Consolidated Cash Flow Statement

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for the year ended 31st December, 2004

	2004 HK\$'000	2003 HK\$'000
<b>Operating activities</b>		
Profit from operations	472,761	160,493
Adjustments for:		
Depreciation	19,831	20,772
Impairment loss recognised in respect of non-trading securities	16,418	6,524
Loss on dilution of interest in an associate	4,455	–
Amortisation of intangible assets	2,701	2,780
Net unrealised loss (profit) on trading securities	2,109	(3,311)
Loss on disposal of property, plant and equipment	579	432
Loss on write off of intangible assets	96	–
(Surplus) deficit arising on revaluation of investment properties	(135,120)	5,645
Impairment loss (reversed) recognised in respect of properties held for sale	(22,924)	22,546
Impairment loss (reversed) recognised in respect of properties under development	(3,000)	12,200
(Profit) loss on disposal of non-trading securities	(2,483)	753
Profit on deemed disposal of a jointly controlled entity	(942)	–
Allowance for bad and doubtful debts written back	(902)	(19,339)
Profit on disposal of partial interest in a subsidiary	(789)	–
Loss on disposal of a jointly controlled entity	–	5,549
Loss on disposal of an associate	–	3,088
Loss on disposal of subsidiaries	–	2,597
Write back of loss arising from default of loan agreement	–	(26,412)
Operating cash flow before movements in working capital	352,790	194,317
Decrease in properties held for sale and other inventories	20,741	19,220
Increase in trading securities	(14,634)	(9,903)
Decrease (increase) in accounts receivable, deposits and prepayments	557,084	(844,918)
Increase in long-term loan receivable	(3,200)	–
(Decrease) increase in accounts payable and accrued charges	(499,683)	761,046
Decrease in other employee benefits	(3,046)	(1,842)
(Decrease) increase in amount due to Allied Group Limited	(23,719)	21,603
Cash generated from operations	386,333	139,523
Interest paid	(47,193)	(62,220)
Hong Kong Profits Tax paid	(32,809)	(6,376)
Tax outside Hong Kong (paid) refunded	(248)	95
<b>Net cash from operating activities</b>	<b>306,083</b>	<b>71,022</b>

## Consolidated Cash Flow Statement (Cont'd)

for the year ended 31st December, 2004

	Notes	2004 HK\$'000	2003 HK\$'000
<b>Investing activities</b>			
Amounts repaid by associates		242,563	22,342
Proceeds on disposal of non-trading securities		40,510	6,350
Proceeds on disposal of an associate		12,187	2,446
Dividends received from associates		6,182	17,812
Amount repaid by a jointly controlled entity		2,770	2,338
Decrease (increase) in pledged bank deposit		267	(487)
Proceeds on disposal of property, plant and equipment		56	1
Acquisition of subsidiaries (net of cash and cash equivalents acquired)	32	(125,239)	(49,579)
Acquisition of associates		(102,350)	(6,156)
Purchase of non-trading securities		(32,285)	(30)
Purchase of property, plant and equipment		(18,265)	(8,765)
Additions to properties under development		(14,186)	(14,790)
Purchase of intangible assets		(6,091)	(5,001)
Amount advanced to a jointly controlled entity		(3,772)	(2,830)
Acquisition of a jointly controlled entity		(2,294)	–
Amounts advanced to investee companies		(1,950)	–
Acquisition of additional interest in a subsidiary		(954)	(7,673)
Additions to investment properties		(110)	–
Amount advanced to an associate		(2)	–
Proceeds on disposal of a jointly controlled entity		–	87,500
Amounts repaid by investee companies		–	2,951
Disposal of subsidiaries (net of cash and cash equivalents disposed of)	33	–	(161)
<b>Net cash (used in) from investing activities</b>		<b>(2,963)</b>	<b>46,268</b>
<b>Financing activities</b>			
Net proceeds received from issue of shares		119,395	29
New bank loans raised		86,500	572,954
Amount advanced by a jointly controlled entity		29,500	23,617
Repayment of bank loans		(346,126)	(492,686)
Repurchase of loan notes		(100,426)	(19,861)
Dividends paid by subsidiaries to minority shareholders		(29,788)	(14,892)
Repayment of obligations under a finance lease		(890)	(850)
Amounts repaid to associates		(148)	(163)
Amount repaid to a jointly controlled entity		(95)	–
Net distribution to minority interests		(33)	–
Amounts advanced by associates		–	1,450
Share repurchased and cancelled by a listed subsidiary		–	(83,945)
<b>Net cash used in financing activities</b>		<b>(242,111)</b>	<b>(14,347)</b>

for the year ended 31st December, 2004

	2004 HK\$'000	2003 HK\$'000
<b>Increase in cash and cash equivalents</b>	<b>61,009</b>	102,943
<b>Exchange adjustments</b>	<b>12</b>	935
<b>Cash and cash equivalents at 1st January</b>	<b>479,328</b>	375,450
<b>Cash and cash equivalents at 31st December</b>	<b>540,349</b>	479,328
<b>Analysis of the balances of cash and cash equivalents</b>		
Bank deposits, bank balances and cash	598,254	629,201
Bank overdrafts	(57,905)	(149,873)
	<b>540,349</b>	479,328