

Consolidated Cash Flow Statement For the year ended 31st December, 2004

	2004 HK\$'000	2003 HK\$'000
OPERATING ACTIVITIES		
Profit from operations	182,837	68,409
Adjustments for:		
Depreciation and amortisation of property, plant and equipment	77,041	70,429
Amortisation of intangible assets	–	399
Amortisation of deferred licensing income	(14,954)	(14,954)
Impairment loss on investments in securities	3,790	13,470
Loss on disposal of investment properties	326	4,760
(Gain) loss on disposal of property, plant and equipment	(61)	351
Surplus arising on revaluation of investment properties	(23,752)	(24,636)
(Surplus) deficit arising on revaluation of hotel properties	(4,148)	4,148
Amortisation of goodwill	341	–
Release of negative goodwill	–	(879)
Unrealised holding gain on other investments	(300)	(1,798)
Operating cash flows before movements in working capital	221,120	119,699
Decrease (increase) in stores	524	(533)
(Increase) decrease in inventories	(6,920)	4,455
Decrease in properties held for resale	15,600	–
(Increase) decrease in trade and other receivables	(77,422)	58,614
Decrease (increase) in short-term loans receivable	18,701	(16,837)
Decrease in amounts due from associates	–	45,253
Decrease in other investments	32,845	25,444
Increase in trade and other payables	74,878	71,095
Increase in property rental deposits	689	880
Net cash generated from operations	280,015	308,070
PRC income tax paid	(6,065)	(3,821)
Hong Kong Profits Tax refunded	–	13
Interest paid	(16,985)	(20,230)
NET CASH FROM OPERATING ACTIVITIES	256,965	284,032

For the year ended 31st December, 2004 **Consolidated Cash Flow Statement**

	Notes	2004 HK\$'000	2003 HK\$'000
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(199,315)	(135,008)
Deposit paid on acquisition of subsidiaries and associates		(167,489)	–
Capital contributions to associates		(73,340)	(128,000)
Deposit paid for a hotel project		(33,428)	(30,000)
(Increase) decrease in pledged bank deposits		(13,230)	74,672
Investment in a property development project		(12,729)	(197,271)
(Increase) decrease in bank deposits held for investment purpose		(4,131)	9,627
Proceeds from disposal of property, plant and equipment		194,576	822
Proceeds from disposal of an associate		15,036	–
Dividend received from an associate		13,943	7,000
Purchase of subsidiaries (net of cash and cash equivalents acquired)	38	4,297	–
Repayment from jointly controlled entities		1,044	15,844
Proceeds from disposal of investment properties		902	34,810
Disposal of subsidiaries (net of cash and cash equivalents disposed of)	39	–	(89,075)
Additions to hotel properties		–	(56,028)
NET CASH USED IN INVESTING ACTIVITIES		(273,864)	(492,607)
FINANCING ACTIVITIES			
Borrowings raised		276,893	495,860
Proceeds from issue of shares		167,968	60
Advance from minority shareholder of subsidiaries		85,706	–
Repayment of borrowings		(207,818)	(371,238)
Dividend paid		(71,614)	–
Repurchase of shares		(21,651)	–
Dividend paid to a minority shareholder of a subsidiary		(10,076)	(5,300)
Share issue expenses		(3,229)	–
Dividend paid to a minority shareholder of a former subsidiary		–	(5,013)
NET CASH FROM FINANCING ACTIVITIES		216,179	114,369
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		199,280	(94,206)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		240,969	335,175
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		440,249	240,969
ANALYSIS OF THE BALANCE OF CASH AND CASH EQUIVALENTS			
Bank balances, deposits and cash		446,701	243,290
Less: Bank deposits held for investment purpose		(6,452)	(2,321)
		440,249	240,969