

Consolidated Cash Flow Statement

For the Year Ended 31st December, 2004

	2004 HK\$'000	2003 HK\$'000
OPERATING ACTIVITIES		
Profit from operations	65,355	12,333
Adjustments for:		
Unrealised gain on trading securities	(829)	(1,106)
Realised loss (gain) on other securities	465	(3,001)
Increase on revaluation of investment properties	(20,207)	(19,023)
(Gain) loss on disposal of investment properties	(1,642)	26,598
Depreciation of property, plant and equipment	742	737
Interest income	(2,832)	(3,579)
Dividend income	(4)	(279)
Operating cash flows before movements in working capital	41,048	12,680
Decrease in inventories	9	74
Decrease in properties for sale	68,336	–
Decrease in investments in trading securities	1,183	7,846
(Increase) decrease in trade and other receivables	(98,853)	1,514
Increase in deposits and prepayments	(342)	(581)
Increase in trade balances due from shareholders	(396)	(536)
Increase in trade balance due from an associate	(76)	(291)
(Decrease) increase in trade and other payables	(1,615)	138
Increase (decrease) in rental and other deposits received	405	(2,008)
Cash generated from operations	9,699	18,836
Hong Kong Profits Tax paid	(1,014)	(6,166)
Interest received	2,832	3,579
Dividends received	4	279
NET CASH FROM OPERATING ACTIVITIES	11,521	16,528
INVESTING ACTIVITIES		
Additions to property, plant and equipment	(383,502)	(719)
Additions to investment properties	(15,081)	(3,477)
Deposit for acquisition of assets	(20,000)	–
Proceeds from disposal of property, plant and equipment	26	–
Proceeds from disposal of investment properties	36,442	51,402
Proceeds from disposal of other securities	918	9,198
Expenditure on properties under development	(17,273)	(269,368)
Dividend received from an associate	56,800	1,100
Repayment from an associate	87,055	2,800
(Increase) decrease in pledged bank deposits	(19)	2,734
NET CASH USED IN INVESTING ACTIVITIES	(254,634)	(206,330)

Consolidated Cash Flow Statement (Continued)

For the Year Ended 31st December, 2004

	2004 <i>HK\$'000</i>	2003 <i>HK\$'000</i>
FINANCING ACTIVITIES		
New bank loans raised	304,000	194,624
Repayment of bank loans	(178,599)	(943)
Advances from a shareholder	247,790	–
Interest paid	(8,011)	(4,400)
Repayment to a shareholder	–	(19,361)
Proceeds from issue of shares	–	22,028
Share issue expenses	–	(46)
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NET CASH FROM FINANCING ACTIVITIES	365,180	191,902
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NET INCREASE IN CASH AND CASH EQUIVALENTS	122,067	2,100
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CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	10,919	8,819
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CASH AND CASH EQUIVALENTS AT END OF THE YEAR	132,986	10,919
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ANALYSIS OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	133,131	11,045
Less: Pledged bank deposits	(145)	(126)
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	132,986	10,919
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