

Consolidated Cash Flow Statement

FINANCIAL STATEMENTS

for the year ended 30th June, 2004

	Note	2004 HK\$'000	2003 restated HK\$'000
Operating activities			
Loss from ordinary activities before taxation		(12,477)	(367,300)
Adjustments for:			
— Interest expense		17,410	15,526
— Interest income		(6,406)	(40,931)
— Depreciation		4,514	2,803
— Dividends from unlisted investment securities		(13,691)	(4,888)
— Bad debts written off / provision		82,161	44,566
— (Write back) / provisions on property projects		(264,107)	262,500
— Share of losses less profits of associates		35,042	60,662
— (Gain) / loss on disposal of fixed assets		(2,035)	596
— Loss / (gain) on disposal of interest in subsidiaries		343	(99,530)
— Loss on disposal of interest in associates		—	78,294
— Impairment loss on positive goodwill		4,000	—
Operating loss before changes in working capital		(155,246)	(47,702)
Increase in properties held for development		(104,286)	(26,933)
Decrease in instalments receivable		17,441	60,805
Increase in properties under development		(108,820)	(43,711)
Decrease in completed properties for sale		22,593	66,885
Increase in deposits for acquisition of properties		(544,306)	—
Decrease / (increase) in debtors, prepayments and deposits		31,060	(37,651)
Increase / (decrease) in creditors and accrued expenses		51,166	(10,461)
Increase / (decrease) in rental and other deposits		1,307	(1,233)
(Decrease) / Increase in amounts due to fellow subsidiaries		(35,966)	164,779
Cash (used in) / generated from operations		(825,057)	124,778
Income tax			
— Hong Kong Profits Tax paid		(730)	(317)
— Taxation outside Hong Kong refund		—	102
— Taxation outside Hong Kong paid		(43,215)	(12,419)
— Tax indemnity received		29,628	4,231
Net cash (used in) / from operating activities		(839,374)	116,375

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for the year ended 30th June, 2004

	Note	2004 HK\$'000	2003 restated HK\$'000
Investing activities			
Proceeds from disposal of fixed assets		3,548	1,335
Payment for purchase of fixed assets		(1,315)	(6,421)
Purchase of additional shares in subsidiary		(55,791)	—
Proceeds from disposal of interest in subsidiaries	(a)	—	276,373
Repayment from associates		110,917	18,264
Repayment of loans receivable		489,921	—
Proceeds from disposal of investment in securities		3	—
Interest received		8,647	8,502
Dividends received from associates		21,544	70,199
Dividends received from unlisted investment securities		13,691	4,888
Net cash from investing activities		591,165	373,140
Financing activities			
New bank loans		3,760,113	1,995,478
Repayment of bank loans		(3,922,173)	(2,066,863)
Contribution from minority shareholders		34,123	6,860
Interest paid		(37,191)	(43,918)
Dividends paid		(10,327)	(15,443)
Proceeds from shares issued under share option scheme		4,000	—
Net cash used in financing activities		(171,455)	(123,886)
Net (decrease) / increase in cash and cash equivalents		(419,664)	365,629
Cash and cash equivalents at 1st July		759,266	393,637
Cash and cash equivalents at 30th June	22	339,602	759,266

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

(a) Disposal of interest in subsidiaries

	2004 HK\$'000	2003 HK\$'000
Net assets of subsidiaries disposed of / net cash inflow arising on disposal:—		
Properties held for development disposed	—	176,843
Gain on disposal	—	99,530
Total cash consideration from disposal	—	276,373

The notes on pages 47 to 83 form part of these accounts.