

Consolidated Cash Flow Statement for the year ended 31st December, 2002

	2002	2001
	<i>HK\$'000</i>	<i>HK\$'000</i>
OPERATING ACTIVITIES		
(Loss) Profit from operations	(113,617)	362,625
Adjustments for:		
Interest income	(23,404)	(54,135)
Impairment loss recognised in respect of goodwill on acquisition of subsidiaries	–	823
Impairment loss on investments in non-trading securities	68,017	–
Impairment loss reversed in respect of loan to a jointly controlled entity	(8,403)	–
Impairment loss (recognised) reversed in respect of properties held for sale	6,403	(6,548)
Release of negative goodwill	(17,240)	(12,266)
Gain on disposal of a subsidiary	(3,745)	–
Amortisation of transaction costs on bank loans	1,200	300
Depreciation and amortisation	3,976	5,539
Loss on disposal of investment properties	364,508	46,461
Bad debts written off	1,303	2,127
(Gain) loss on disposal of property, plant and equipment	(1,244)	4,690
Realised gain on disposal of investments in securities	(418)	(2,782)
Loss on dilution of interests in subsidiaries	6,348	1,354
Unrealised holding loss on investments in trading securities	5,549	2,275
Gain on deemed disposal of an associate	–	(1,990)
Provision for other loan receivables written back	–	(214)
Operating cash flows before movements in working capital	289,233	348,259
Increase in inventories	(1,187)	(3,968)
(Increase) decrease in properties held for sale	(86,662)	14,132
Decrease (increase) in other investments	17,613	(18,825)
Decrease (increase) in debtors, deposits and prepayments	78,936	(81,514)
Decrease (increase) in advance to a director of an indirect subsidiary	–	232
Decrease (increase) in amounts due from associates	796	(1,035)
Increase (decrease) in creditors, deposits received and accrued charges	16,278	(36,616)
(Decrease) increase in sales deposits on properties for sale received	(70,851)	72,464
Cash generated from operations	244,156	293,129
Interest received	21,284	54,135
Interest and facilities charges paid on bank and other borrowings	(205,915)	(324,523)
Interest paid on obligations under finance leases	(208)	(248)
Dividends paid	(51,125)	(81,799)
Hong Kong Profits Tax paid	(9,768)	(9,166)
Overseas tax refunded (paid)	2,709	(770)
CASH FROM (USED IN) OPERATING ACTIVITIES	1,133	(69,242)

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	NOTES	2002	2001
		HK\$'000	HK\$'000
INVESTING ACTIVITIES			
Decrease (increase) in pledged bank deposits		881,202	(189,555)
Proceeds on disposal of investment properties		669,149	523,401
Repayment of loan from a jointly controlled entity		47,040	–
Purchase of subsidiaries (net of cash and cash equivalents acquired)	40	33,318	2,937
Proceeds on disposal of investments in securities		15,285	111
Proceeds on disposal of property, plant and equipment		11,023	27,505
Dividend received from an associate		2,495	–
Addition of other loans receivable		(87,147)	(14,033)
Purchase of investment properties		(75,104)	(52,517)
Purchase of investments in securities		(11,308)	(5,971)
Purchase of property, plant and equipment		(7,868)	(92,674)
Disposal of a subsidiary (net of cash and cash equivalents disposed)	41	(4,584)	–
(Advance to) repayment from jointly controlled entities		(62)	50
Acquisition of interests in associates		–	(5,226)
NET CASH FROM INVESTING ACTIVITIES		1,473,439	194,028
FINANCING ACTIVITIES			
Repayment of bank and other loans		(2,757,578)	(1,886,999)
Dividends paid to minority shareholders		(52,060)	–
Repayment to associates		(7,777)	(7,969)
Decrease in other payables		(4,715)	(13,155)
Repurchase of shares of a subsidiary		(4,171)	(17,886)
Repayment of obligations under finance leases		(1,367)	(395)
Funds received from bank and other loans		1,680,945	1,635,577
Advances from minority shareholders		50,576	870
Proceeds from issue of shares		–	5,456
Funds received from preference convertible promissory notes		–	23,400
NET CASH USED IN FINANCING ACTIVITIES		(1,096,147)	(261,101)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		378,425	(136,315)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		355,971	496,336
Effect of foreign exchange rate changes		(11,571)	(4,050)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		722,825	355,971
represented by bank balances and deposits			