

Consolidated Cash Flow Statement

For the year ended 31st December, 2002

	Notes	2002 HK\$'000	2001 HK\$'000 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) before tax		22,519	(106,171)
Adjustments for:			
Finance costs	7	6,870	7,696
Share of profits and losses of associates		(8,417)	2,079
Share of losses of jointly-controlled entities		1,171	521
Interest income	5	(3,012)	(4,066)
Depreciation	6	6,663	8,841
Goodwill amortisation	6	145	781
Negative goodwill recognised			
as income for the year	5	(444)	—
Gain on disposal of a subsidiary	5	(295)	—
Dividend from unlisted			
long term investments	5	(1,235)	(353)
Recovery of a long term investment			
previously written off	5	(1,038)	—
Provision for impairment			
of land and buildings	6	—	102,112
Provision for impairment of goodwill	6	—	16,996
Provision for impairment			
of long term investments	6	1,091	339
Provision for impairment			
of properties held for sale	6	—	1,000
Revaluation deficit on			
investment properties	6	—	4,086
Unrealised loss/(gain) on short term			
investments in securities	6	(407)	103
Gain on disposal of land and buildings	5	—	(465)
Loss on disposal of other fixed assets	6	8	50
Operating profit before working capital changes		23,619	33,549
Decrease/(increase) in due			
from related companies		(1,268)	3,549
Decrease/(increase) in properties held for sale		21,669	(62,810)
Decrease/(increase) in properties			
under development held for sale		13,642	(8,296)
Decrease in inventories		322	463
Decrease in trade receivables		5,654	22,109
Decrease/(increase) in other receivables		(9,048)	15,093
Decrease/(increase) in client trust bank balances		2,024	(2,387)
Decrease in amounts due to related companies		(192)	(368)
Decrease in trade payables,			
other payables and accruals		(49,188)	(30,631)
Cash generated from operations		7,234	(29,729)
Interest paid		(6,870)	(7,696)
Overseas tax paid		(11,524)	(4,615)
Net cash outflow from operating activities		(11,160)	(42,040)
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	Notes	2002 HK\$'000	2001 HK\$'000 (Restated)
Net cash outflow from operating activities (from page 23)		<u>(11,160)</u>	<u>(42,040)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of fixed assets	13	(2,220)	(16,107)
Interest received		3,012	4,066
Additions to properties under development		—	(747)
Acquisition of associates		—	(95,352)
Purchase of additional interests in subsidiaries		(8,684)	(2,014)
Purchases of long term investments		—	(11,703)
Decrease/(increase) in amounts due from associates, net		2,573	(23)
Increase in amount due to jointly-controlled entities		1,483	11,894
Increase in other assets		(5)	—
Disposal of a subsidiary	35(b)	(1)	—
Decrease/(increase) in pledged bank balances and time deposits		(420)	16,372
Proceeds from disposal of fixed assets		45	9,437
Net cash outflow from investing activities		<u>(4,217)</u>	<u>(84,177)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Issue of new shares	32	—	82,785
Share issue expenses	32	—	(1,870)
Additions of interest-bearing bank borrowings		27,233	20,031
Repayments of non-interest-bearing other borrowings		(224)	(16,221)
Capital elements of finance lease payments		(307)	(790)
Advances from/(repayments to) minority shareholders		(22)	28,999
Dividends paid to minority shareholders		—	(12,150)
Net cash inflow from financing activities		<u>26,680</u>	<u>100,784</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		11,303	(25,433)
Cash and cash equivalents at beginning of year		96,495	124,391
Effect of foreign exchange rate changes, net		3,392	(2,463)
CASH AND CASH EQUIVALENTS AT END OF YEAR		<u>111,190</u>	<u>96,495</u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and cash balances	25	66,425	69,345
Time deposits	25	56,985	54,957
Bank overdrafts	28	(12,220)	(27,807)
		<u>111,190</u>	<u>96,495</u>