

CONSOLIDATED CASH FLOW STATEMENT (For the year ended 31 December 2002)

	NOTE	2002 HK\$'000	2001 HK\$'000
OPERATING ACTIVITIES			
Loss before taxation		(291,272)	(865,480)
Adjustments for:			
Depreciation		64,008	72,328
Amortisation of development costs		4,935	7,094
Interest expenses		79,295	112,603
Finance lease charges		283	530
Loss (gain) on disposal of property, plant and equipment		11,294	(195)
Gain on disposal of investment properties		(6,093)	(14,884)
Deficit on revaluation of investment properties		68,431	–
Allowance for amount due from an associate		30,162	–
Allowance for doubtful debts		27,599	19,800
Impairment loss recognised in respect of property, plant and equipment		35,365	232,712
Impairment loss recognised in respect of investments in securities		23,708	–
Allowance for obsolete inventories		6,245	22,199
Impairment loss recognised in respect of development costs		3,000	14,934
Impairment loss recognised in respect of interests in associates		–	470,116
Gain on disposal of subsidiaries		(7,840)	–
Loss on disposal of an associate		14,880	–
Share of results of associates		6,236	717
Gain on disposal of properties for sale		(1,879)	–
Operating cash flows before movements in working capital		68,357	72,474
Decrease (increase) in inventories		48,647	(7,827)
(Increase) decrease in trade and other receivables		(62,005)	73,236
(Increase) decrease in amounts due from associates		(6,215)	3,247
Increase (decrease) in trade and other payables		81,454	(30,535)
Increase (decrease) in amounts due to associates		1,558	(8,721)
Cash generated from operations		131,796	101,874
Income taxes (paid) refunded		(5,272)	4,034
NET CASH FROM OPERATING ACTIVITIES		126,524	105,908

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	NOTE	2002 HK\$'000	2001 HK\$'000
INVESTING ACTIVITIES			
Proceeds on disposal of investment properties		42,258	40,180
Repayment from associates		–	8,879
Proceeds on disposal of property, plant and equipment		7,360	4,889
Purchase of property, plant and equipment		(56,969)	(88,137)
Proceeds from disposal of subsidiaries	30	13,114	–
Proceeds from disposal of an associate		34,243	–
Repayment of loans receivable		11,421	–
Decrease (increase) in pledged bank deposits		17,287	(86,215)
Investment in an associate		(9,432)	–
Acquisition of technology licence right		–	(15,600)
Development costs incurred		(5,000)	(7,938)
NET CASH FROM (USED IN) INVESTING ACTIVITIES		54,282	(143,942)
FINANCING ACTIVITIES			
Interest paid		(79,295)	(59,875)
Finance lease charges		(283)	(530)
New loans raised		158,521	493,615
Contribution from minority shareholders		–	23,717
Repayment of loans		(226,060)	(493,637)
Repayment of obligations under finance leases		(3,876)	(3,827)
Repayment to a major shareholder		(703)	(2,836)
NET CASH USED IN FINANCING ACTIVITIES		(151,696)	(43,373)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		29,110	(81,407)
CASH AND CASH EQUIVALENTS AT 1 JANUARY		191,976	273,383
CASH AND CASH EQUIVALENTS AT 31 DECEMBER		221,086	191,976
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Bank balances and cash		290,504	271,989
Bank overdrafts		(69,418)	(80,013)
		221,086	191,976