

Consolidated Cash Flow Statement

For the year ended 31st December, 2002

	2002 HK\$'000	2001 <i>HK\$'000</i>
OPERATING ACTIVITIES		
Loss from operations	(448,532)	(901,688)
Adjustments for:		
Dividend income	(3,732)	(5,509)
Interest income	(37,956)	(71,725)
Depreciation of property, plant and equipment	136,522	140,743
Amortisation of intangible asset	–	4,934
Amortisation of goodwill	1,634	495
Unrealised holding loss on investments in securities	232,636	139,972
(Gain) loss on disposal of investments in securities	(71,760)	15,182
Allowance for bad and doubtful debts	85,741	74,582
Impairment loss of property, plant and equipment	345,761	529,041
Impairment loss of goodwill of subsidiaries and associates	–	14,005
Impairment loss of interest in an associate	–	3,587
Impairment loss of properties under/held for development	–	28,793
Impairment loss on properties held for sale	1,185	11,081
Impairment loss on investment properties	9,069	–
Deficit arising on the revaluation of investment properties	–	19,977
Allowances for inventories	20,347	10,012
Allowances for loan and interest receivables	57,232	50,413
(Gain) loss on disposal of property, plant and equipment	(82)	2,827
Gain on disposal/dilution of interests in subsidiaries	(64,193)	(63,047)
Gain on disposal/dilution of interest in associates	(14,980)	–
Loss on disposal of investment property	2,000	50
Operating cash flows before movements in working capital	250,892	3,725
Decrease in properties held for sale	51,796	70,300
Increase in inventories	(103,859)	(57,621)
Increase in trade debtors	(95,961)	(11,759)
Increase in other receivables, deposits and prepayments	(54,138)	(109,333)
Decrease in advance to contractors	9,439	–
Increase in creditors, other payables and accrued charges	332,428	198,178
Increase (decrease) in income and other tax payable	5,112	(7,614)
Net cash from operations	395,709	85,876
Interest paid	(96,496)	(121,235)
Dividends paid to minority shareholders of subsidiaries	(4,285)	(4,124)
Tax paid in other jurisdictions	(2,869)	(8,953)
Refund of tax received in other jurisdictions	–	6
NET CASH FROM (USED IN) OPERATING ACTIVITIES	292,059	(48,430)

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	NOTES	2002 HK\$'000	2001 HK\$'000
INVESTING ACTIVITIES			
Repayment from receivables		545,621	389,990
Proceeds from disposal of investments in securities		277,823	400,960
Proceeds from disposal of property, plant and equipment		77,670	5,818
Decrease in pledged bank deposits		58,681	528,831
Interest received		2,759	71,725
Proceeds from disposal/dilution of interests in associates		9,204	–
Repayment from minority shareholders		5,357	1,309
Proceeds from disposal/dilution of subsidiaries (net of cash and cash equivalents disposed of)	35	(38,484)	283,806
Dividend received from investments in securities		3,732	5,509
Receivable advanced		(1,226,081)	(670,140)
Purchase of investments in securities		(365,544)	(282,802)
Investments in associates		(347,189)	(44,100)
Purchase of property, plant and equipment		(327,081)	(279,977)
Deposit paid for acquisition of a subsidiary		(75,000)	–
Advance to associates		(47,018)	(17,560)
Purchase of subsidiaries (net of cash and cash equivalents acquired)	36	(511)	(354,450)
Payment for acquisition of land development rights		(11,960)	(2,727)
Costs incurred for properties under/held for development		(3,760)	(8,392)
Proceeds from disposal of investment properties		–	14,450
Capital repatriation from an associate		–	9,366
NET CASH (USED IN) FROM INVESTING ACTIVITIES		(1,461,781)	51,616
FINANCING ACTIVITIES			
Advance from loan payables		986,017	–
New bank loans and other borrowings raised		1,414,478	1,183,688
Issue of convertible notes		66,000	–
Proceeds from issue of shares		59,873	–
Contribution from minority shareholders		48,816	42,602
Advance from deposits received		10,795	–
Repayment of bank loans and other borrowings		(1,256,252)	(1,393,529)
Repayment to loan payables		(450,851)	–
Repayment to minority shareholders		(43,104)	–
Repayment to related companies		(7,027)	(16,917)
Share issue expenses		(2,405)	–
Repayment to associates		(71)	–
Repayment of obligations under finance leases		(13)	(9)
Advance from related companies		–	53,409
Advance from associates		–	9,625
NET CASH FROM (USED IN) FINANCING ACTIVITIES		826,256	(121,131)
DECREASE IN CASH AND CASH EQUIVALENTS		(343,466)	(117,945)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		744,927	873,326
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		474	(10,454)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		401,935	744,927

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For the year ended 31st December, 2002

	2002	2001
	HK\$'000	HK\$'000
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	425,397	744,927
Bank overdrafts	(23,462)	—
	401,935	744,927