

CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 December 2002

	Notes	2002 HK\$'000	2001 HK\$'000 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) before tax		(187,042)	52,609
Adjustments for:			
Interest expense	7	6,301	3,251
Share of losses of jointly-controlled entities		160	108
Interest income	6	(99)	(56)
Loss on disposal of fixed assets	6	–	96
Gain on partial disposal of interests in subsidiaries	6	–	(15,752)
Gain on disposal of interests in subsidiaries	6	(9,170)	–
Depreciation	6	1,216	1,306
Amortisation of goodwill		21,350	10,870
Impairment of goodwill		162,000	–
Provision for amounts due from jointly-controlled entities	6	6,000	–
Provision for other receivable	6	3,994	–
Proceeds from pre-sale of properties		110,683	123,789
Attributable profits on pre-sale properties		(44,125)	(87,967)
Development costs on properties under development		(27,822)	(133,564)
Profit from sale of properties		(43,192)	(11,992)
Operating profit/(loss) before working capital changes		254	(57,302)
Decrease in completed properties for sale		7,270	–
Decrease/(increase) in trade receivables		(6,045)	53,487
Decrease/(increase) in prepayments, deposits and other receivables		(88,056)	33,647
Decrease in an amount due from a Mainland China joint venture partner		–	28,284
Increase/(decrease) in trade payables, other payables and accruals		16,562	(11,530)
Decrease in an amount due to a Mainland China joint venture partner		–	(2)
Exchange adjustments on translation of the financial statements of overseas subsidiaries		29	(209)
Cash generated from/(used in) operations		(69,986)	46,375
Interest received		99	56
Interest paid		(13,261)	(12,765)
Overseas taxes paid		(179)	(243)
Dividends paid		–	(13,112)
Net cash inflow/(outflow) from operating activities		(83,327)	20,311

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CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 December 2002

<i>Notes</i>	2002 HK\$'000	2001 <i>HK\$'000</i> <i>(Restated)</i>
CASH FLOWS FROM INVESTING ACTIVITIES		
Decrease in fixed term deposits	–	2,829
Purchases of fixed assets	(259)	(656)
Proceeds from disposal of fixed assets	–	5
Proceeds from disposal of investment properties	11,308	37,569
Increase in amounts due from jointly-controlled entities	(51)	(11,822)
Investments in jointly-controlled entities	–	(518)
Disposal of subsidiaries	11,179	–
Expenditure incurred for partial disposal of interests in subsidiaries	–	(250)
Decrease/(increase) in deposits pledged to a bank	1,871	(4,071)
	24,048	23,086
CASH FLOWS FROM FINANCING ACTIVITIES		
New bank loans	76,695	77,654
Repayments of bank loans	(31,738)	(71,537)
	44,957	6,117
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		
Cash and cash equivalents at beginning of year	55,174	5,662
Effect of foreign exchange rate changes, net	5	(2)
	40,857	55,174
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	40,857	55,174