

Consolidated Cash Flow Statement

For the year ended 31 December 2002

	Note	2002 HK\$'000	2001 HK\$'000
Cash flows from operating activities			
Loss before taxation and minority interests		(414,379)	(236,868)
Share of profits less losses of associates		(4)	(12)
Interest income		(1,595)	(2,234)
Interest expenses		86,900	145,364
Charges arising from unexercised warrants issued to bankers relating to debt restructure		8,813	—
Depreciation of property, plant and equipment		1,888	2,251
Amortization of goodwill		14,921	14,921
Impairment of goodwill		137,451	120,000
Provision for impairment loss of property, plant and equipment		5,388	—
Provision for diminution in value of properties for sales, held for and under development		1,590	29,500
Provision of doubtful debts		32,790	2,517
Provision for inventories		24,612	—
Waiver of bank creditors		—	(66,379)
(Gain)/loss on disposal of investment properties		(22)	60,982
Loss on disposal of properties held for development		1,523	11,903
Loss on disposal of property, plant and equipment		26	1,568
Gain on disposal of subsidiaries		(38)	(34)
Gain on deemed disposal of interest in a subsidiary		(4,712)	—
Reversal of investment property revaluation deficit		200,075	—
Write off of revaluation reserve		—	(193)
Decrease in properties for sales		799	291,775
Decrease/(increase) in restricted bank balances		17,845	(13,441)
Decrease/(increase) in debtors, prepayments and deposits and instalments receivable		3,313	(16,232)
Decrease/(increase) in inventories		872	(5,862)
Decrease in trade creditors, accruals and deposits received		(68,984)	(15,085)
Cash generated from operations		49,072	324,441
Interest paid		(86,900)	(87,310)
Charges arising from unexercised warrants issued to bankers relating to debt restructure		(8,813)	—
Hong Kong Profits Tax paid		(26)	(7)
Hong Kong Profits Tax refund		—	7
Net cash (outflow)/inflow from operating activities		(46,667)	237,131
Investing activities			
Additions to property, plant and equipment		(1,525)	(2,493)
Proceeds from disposal of investment properties		122	289,611
Proceeds from disposal of property, plant and equipment		707	—
Additions to investment properties		(12,416)	(731)
Additions to properties under development		—	(86,768)
Additions to properties held for development		(12,000)	—
Additions to other investment		(10)	—
Proceeds from disposal of properties held for development		6,300	9,995
Net cash inflow/(outflow) from deemed disposal of interest in a subsidiary/disposal of subsidiaries	35	292,476	(2)
Decrease in amounts due from associates		22	18
Receipt on deposit on acquisition of properties		16,641	—
Interest received		1,595	2,234
Net cash inflow from investing activities		291,912	211,864
Net cash inflow before financing		245,245	448,995
Financing			
Repayments of bank loans		(817,710)	(577,514)
Repayments of other loans		(15,756)	—
Advances from ultimate holding company		14,725	—
Bank loans raised		566,871	133,722
Inception of finance lease contracts		—	120
Repayments of obligations under finance leases		(12)	(1)
Net cash outflow from financing		(251,882)	(443,673)
(Decrease)/increase in cash and cash equivalents		(6,637)	5,322
Cash and cash equivalents at beginning of year		18,296	12,974
Cash and cash equivalents at end of year		11,659	18,296