

CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 December 2002

HK\$'million	2002	2001 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(256)	(666)
Adjustments for:		
Finance costs	27	36
Share of profits and losses of jointly-controlled entities and associates	28	-
Interest income	(15)	(11)
Dividend income from listed equity investments	-	(2)
Depreciation	122	120
Amortisation of goodwill	16	1
Amortisation of intangible assets	31	45
Write off of deferred development costs	41	24
Loss on disposal of fixed assets, net	9	10
Net realised losses on disposal of short term investments	12	43
Net gains on disposal/deemed disposal of subsidiaries	(599)	(60)
Impairment of an investment in a jointly-controlled entity	-	33
Net unrealised holding losses of short term investments	383	452
Impairment of long term investments	313	30
Impairment of fixed assets	3	127
Impairment of other assets	2	-
Net losses on disposal/deemed disposal of associates	129	13
Bad and doubtful debt provisions on trade receivables	2	44
Bad and doubtful debt provisions on other receivables	2	2
Provision for slow-moving and obsolete stocks	6	-
Operating profit before working capital changes	256	241
Decrease/(increase) in inventories	(37)	185
Decrease in short term investments	106	165
Decrease/(increase) in trade and bills receivables	(154)	24
Increase in prepayments, deposits and other receivables	(136)	(49)
Increase/(decrease) in trade and bills payables and accruals	171	(213)
Cash generated from operations	206	353
Interest received	15	11
Interest paid	(26)	(32)
Interest element on finance lease rental payments	(1)	(4)
Dividend paid	(4)	-
Dividends from listed equity investments	-	2
Hong Kong profits tax paid	(7)	(4)
Net cash inflow from operating activities	183	326

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Year ended 31 December 2002

HK\$'million	Notes	2002	2001 (Restated)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of fixed assets		(130)	(236)
Proceeds from disposal of fixed assets		11	11
Additions to intangible assets		(60)	(65)
Disposal/deemed disposal of associates		87	13
Disposal/deemed disposal of subsidiaries	36(d)	(248)	–
Advances to associates		–	(7)
Acquisition of subsidiaries	36(e)	(7)	(5)
Investments in jointly-controlled entities		–	(26)
Advances to jointly-controlled entities		–	(24)
Purchases of minority interest in subsidiaries	36(f)	–	(4)
Proceeds from disposal of partial interests in subsidiaries	36(g)	–	47
Decrease/(increase) in pledged time deposits		97	(50)
Net cash outflow from investing activities		(250)	(346)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from placement of shares		–	60
Proceeds from rights issue of shares		–	211
Contribution by minority interests, net of expenses		–	362
Share issue expenses		–	(4)
Repurchases of shares		–	(8)
Repayment of convertible notes		(120)	(130)
Issue of convertible notes		20	100
New bank loans		250	182
Net repayment of trust receipt loans		(1)	(51)
Repayment of bank loans		(253)	(67)
Capital element of finance lease rental payments		(5)	(5)
Net cash inflow/(outflow) from financing activities		(109)	650
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(176)	630
Cash and cash equivalents at beginning of year		957	327
CASH AND CASH EQUIVALENTS AT END OF YEAR		781	957

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Year ended 31 December 2002

HK\$'million	Notes	2002	2001 (Restated)
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	25	196	472
Non-pledged time deposits with original maturity of less than three months when acquired	25	587	485
Bank overdrafts	29	(2)	-
		781	957