

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2003

	The Group	
	2003	2002
	HK\$'000	HK\$'000
Cash flows from operating activities		
Profit from ordinary activities before taxation	33,605	18,713
Adjustments for:		
Interest income	(7,643)	(14,015)
Dividend income	(16,362)	–
Depreciation charges	2,662	3,381
Profit on sale of fixed assets	(66)	(604)
Amortisation of intangible assets	62	62
Impairment losses on investment securities	–	436
Fixed assets written off	–	763
Allowance for doubtful receivables	2,218	1,240
Net unrealised gain on stating securities at fair value	(14,554)	–
Unrealised exchange loss/(gain) (net)	1,583	(24,079)
	(32,100)	(32,816)
Operating gain/(loss) before changes in working capital	1,505	(14,103)
(Increase)/Decrease in working capital		
Trade receivables	(7,041)	(3,939)
Other receivables, deposits and prepayments	2,981	(88)
Trade payables	(3,885)	1,751
Other payables	(1,813)	(10,605)
Affiliated companies (net)	8,185	4,515
	(1,573)	(8,366)
Net cash used in operations	(68)	(22,469)
Interest received	7,520	14,015
Dividend received	1,602	–
Proceeds from disposal in investment securities	–	38,960
Dividends paid to shareholders	(7,663)	–
Tax (paid)/refund - overseas tax	(15)	58
Net cash generated from operating activities carried forward	1,376	30,564

The notes on pages 31 to 50 form part of these financial statements.

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for the year ended 31 December 2003

	The Group	
	2003	2002
	HK\$'000	HK\$'000
Net cash generated from operating activities brought forward	1,376	30,564
Cash flows from investing activities		
Payment for purchase of fixed assets	(1,887)	(4,442)
Increase in intangible assets	-	(94)
Payment for purchase of other financial assets	(53)	-
Proceeds from sale of fixed assets	1,526	1,511
Payment for purchase of investment securities	(24,768)	-
Net cash used in investing activities	(25,182)	(3,025)
Net (decrease)/increase in cash and cash equivalents	(23,806)	27,539
Cash and cash equivalents at beginning of the year	553,372	501,896
Effect of foreign exchange rates changes	(2,400)	23,937
Cash and cash equivalents at end of the year	527,166	553,372
Analysis of the balances of Cash and Cash Equivalents		
Deposits with banks and other financial institutions	497,056	378,802
Cash at banks and in hand	30,110	174,570
	527,166	553,372

The notes on pages 31 to 50 form part of these financial statements.