

# CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2003  
(Expressed in Hong Kong dollars)

<i>Note</i>	<b>2003</b> <b>\$'000</b>	2002 \$'000
<b>Operating activities</b>		
Loss from ordinary activities before taxation	<b>(32,440)</b>	(119,101)
Adjustments for:		
- Depreciation	<b>11,664</b>	13,077
- Amortisation of goodwill	<b>267</b>	—
- Impairment loss on goodwill	<b>—</b>	30,000
- Impairment loss on goodwill included in share of profits less losses of associates	<b>14,519</b>	—
- Finance costs	<b>969</b>	1,253
- Dividend income from listed investments	<b>(4,162)</b>	(40,696)
- Dividend income from unlisted investments	<b>(3,409)</b>	—
- Interest income	<b>(7,140)</b>	(10,577)
- Share of profits less losses of associates	<b>4,953</b>	1,792
- (Write back of deficit)/deficit on revaluation of land and buildings	<b>(9,699)</b>	15,038
- Write back of provision for impairment loss on and non-recoverable amounts due from associates	<b>(171)</b>	(306)
- Impairment loss on fixed assets	<b>3,600</b>	—
- Net loss on disposal of fixed assets	<b>258</b>	56
- Net realised and unrealised loss on investments in securities	<b>17,707</b>	90,057
Foreign exchange loss/(gain)	<b>122</b>	(279)
<b>Operating loss before changes in working capital</b>	<b>(2,962)</b>	(19,686)
Decrease in inventories	<b>11,027</b>	84
Decrease in trade and other receivables	<b>6,160</b>	1,203
Decrease in trade and other payables	<b>(34,910)</b>	(2,606)
Net change in amounts due from associates	<b>(3,381)</b>	—
<b>Cash used in operations</b>	<b>(24,066)</b>	(21,005)
Interest received	<b>7,490</b>	10,487
Dividends received from listed investments	<b>4,162</b>	40,696
Dividends received from unlisted investments	<b>3,409</b>	—
Tax paid		
- Hong Kong Profits Tax paid	<b>(3)</b>	(1)
- Overseas tax paid	<b>(74)</b>	(275)
<b>Net cash (used in)/from operating activities carried forward</b>	<b>(9,082)</b>	29,902

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	<i>Note</i>	<b>2003</b> <b>\$'000</b>	2002 \$'000
<b>Net cash (used in)/from operating activities brought forward</b>		<b>(9,082)</b>	29,902
<b>Investing activities</b>			
Payment for purchase of fixed assets		<b>(4,229)</b>	(684)
Payment for purchase of investments in securities		—	(30,692)
Net cash inflow in respect of acquisition of subsidiaries	32	<b>9,253</b>	—
Refund received/(deposits paid) in respect of acquisitions of securities and associates		<b>29,564</b>	(29,564)
Payment for purchase of associates		<b>(6,224)</b>	(2,966)
Payment for purchase of a business		<b>(754)</b>	—
Loans repaid by associates		<b>1,018</b>	3,340
Proceeds from sales of fixed assets		7	78
Proceeds from sale of investments in securities		—	1,928
<b>Net cash from/(used in) investing activities</b>		<b>28,635</b>	(58,560)
<b>Financing activities</b>			
Redemption of debentures		<b>(1,720)</b>	(6,196)
Repayment of bank loans		<b>(2,948)</b>	(6)
Other borrowing costs paid		<b>(1,085)</b>	(1,388)
<b>Net cash used in financing activities</b>		<b>(5,753)</b>	(7,590)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>13,800</b>	(36,248)
<b>Cash and cash equivalents at 1 January</b>		<b>573,576</b>	609,736
<b>Effect of foreign exchange rates changes</b>		<b>146</b>	88
<b>Cash and cash equivalents at 31 December</b>	22	<b>587,522</b>	573,576

The notes on pages 23 to 68 form part of these financial statements.