

## Consolidated Cash Flow Statement

Year Ended 31 December 2003

	2003 HK\$'000	2002 HK\$'000
<b>OPERATING ACTIVITIES</b>		
Profit before taxation	77,514	22,759
Adjustment for:		
Interest income	(1,406)	(596)
Dividend income	(311)	–
Interest expense	7	1,195
Depreciation	909	1,427
Loss on disposal of property, plant and equipment	472	183
Gain on disposal of investment in securities	(119)	–
Unrealised holding loss on investment in securities	61	–
Share of results of associates	1,713	(18,362)
Amortisation of goodwill	75	–
Release of negative goodwill to income	(12,871)	–
Gain on disposal of subsidiaries	–	(11,755)
Operating cash flows before working capital changes	<b>66,044</b>	(5,149)
Increase in properties for sale	(24,952)	–
Decrease/(increase) in trade and other receivables	5,703	(75,505)
Increase in investment in securities	–	(12,564)
Decrease in trade and other payables	(136,930)	(2,504)
Decrease in receipts in advances	(40,513)	–
Increase in amount due from an associate	(241)	(509)
Increase in amount due to a related company	4,882	7,500
Increase in amount due to a director	1,981	–
Net cash used in operations	<b>(124,026)</b>	(88,731)
Interest received	1,406	596
Interest paid	(7)	(1,195)
Overseas tax paid	(11,406)	–
Hong Kong profits tax refunded	–	317
Net cash used in operating activities	<b>(134,033)</b>	(89,013)

## Consolidated Cash Flow Statement

Year Ended 31 December 2003

	Notes	2003 HK\$'000	2002 HK\$'000
<b>INVESTING ACTIVITIES</b>			
Dividend income		311	–
Purchase of property, plant and equipment		(2,346)	(1,526)
Proceeds from disposal of property, plant and equipment		759	–
Proceeds from disposal of investment in securities		8,708	–
Acquisition of subsidiaries (net of cash and cash equivalents acquired)	28	111,574	–
Proceeds from disposal of subsidiaries (net of cash and cash equivalents disposed of)	29	–	12,715
Decrease in pledged bank deposits		–	8,715
Investment in associates		–	(19,274)
<b>Net cash from investing activities</b>		<b>119,006</b>	630
<b>FINANCING ACTIVITIES</b>			
Increase in shareholders' loan		30,000	–
Increase in bank loans		132,075	–
Repayment of bank loans		(70,754)	–
Net proceeds from issue of shares		–	110,777
<b>Net cash from financing activities</b>		<b>91,321</b>	110,777
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>76,294</b>	22,394
Cash and cash equivalents, beginning of year		22,477	83
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>		<b>98,771</b>	22,477
<b>ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Bank balances and cash		98,771	22,477