

Consolidated Cash Flow Statement

for the year ended 31 December 2003

Notes	2003 HK\$'000	2002 HK\$'000
Cash flows from operating activities		
Profit/(Loss) before taxation and minority interests	61,977	(414,379)
Share of profits less losses of associates	4	(4)
Interest income	(27)	(1,595)
Interest expenses	54,658	86,900
Charges arising from unexercised warrants issued to bankers relating to debt restructure	—	8,813
Depreciation of property, plant and equipment	1,193	1,888
Amortisation of goodwill	73	14,921
Impairment of goodwill	5,566	137,451
Amortisation of intangible assets	134	—
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
Provision for doubtful debts	943	32,790
Provision for inventories	—	24,612
Write back of overprovision for doubtful debts	(295)	—
Loss/(Gain) on disposal of investment properties	500	(22)
Loss on disposal of properties held for development	—	1,523
Loss on disposal of properties held for sales	120	—
Loss on disposal of property, plant and equipment	23	26
Loss/(Gain) on disposal of subsidiaries	203	(38)
Gain on deemed disposal of interest in a subsidiary	—	(4,712)
Reversal of investment property revaluation deficit	—	200,075
Waiver of interest on other borrowings by ultimate holding company	(46,064)	—
Decrease in properties for sales	—	799
(Increase)/Decrease in restricted bank balances	(197)	17,845
(Increase)/Decrease in debtors, prepayments and deposits and instalments receivable	(5,735)	3,313
(Increase)/Decrease in inventories	(14,040)	872
Increase/(Decrease) in trade creditors, accruals and deposits received	9,876	(68,984)
Cash generated from operations	68,912	49,072
Interest paid	(52,590)	(86,900)
Charges arising from unexercised warrants issued to bankers relating to debt restructure	—	(8,813)
Hong Kong profits tax paid	(19)	(26)
Net cash inflow/(outflow) from operating activities	16,303	(46,667)
Cash flows from investing activities		
Additions to property, plant and equipment	(1,425)	(1,525)
Proceeds from disposal of property, plant and equipment	3,433	707
Additions to investment properties	—	(12,416)
Additions to properties held for development	—	(12,000)
Additions to other investments	(1)	(10)
Proceeds from disposal of investment properties	500	122
Proceeds from disposal of properties held for development	—	6,300
Proceeds from disposal of properties held for sales	500	—
Net cash inflow from deemed disposal of interest in a subsidiary	—	292,476
Decrease in amounts due from associates	7	22
Receipt on deposit on acquisition of properties	—	16,641
Payments to acquire subsidiaries (net of cash and cash equivalents acquired)	(7,139)	—
Proceeds from disposal of a subsidiary	33	—
Interest received	27	1,595
Net cash (outflow)/inflow from investing activities	(4,065)	291,912
Net cash inflow before financing activities	12,238	245,245
Cash flows from financing activities		
Repayments of bank loans	(28,317)	(817,710)
Repayments of other loans	(39,700)	(15,756)
(Repayments to)/Advances from ultimate holding company	(2,207)	14,725
Bank loans raised	—	566,871
Other loans raised	67,603	—
Inception of finance lease contracts	53	—
Repayments of obligations under finance leases	(43)	(12)
Proceeds from exercise of warrants	14,741	—
Net cash inflow/(outflow) from financing activities	12,130	(251,882)
Increase/(Decrease) in cash and cash equivalents	24,368	(6,637)
Cash and cash equivalents at beginning of year	11,659	18,296
Translation difference	12	—
Cash and cash equivalents at end of year	36,039	11,659