

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2003

	2003 HK\$'M	2002 HK\$'M
Cash flows from operating activities		
Profit from operations	49.3	66.2
Adjustments for:		
(Reversal of impairment losses) impairment losses recognised in respect of investments the underlying business of which is property development	(11.6)	2.5
Interest and investment income	(11.5)	(10.6)
Amortisation of goodwill	-	1.9
Amortisation of permanent textile quota entitlements	1.1	1.6
Amortisation of trademark	0.1	0.1
Depreciation and amortisation of other properties, plant and equipment	20.9	21.4
Loss (gain) on disposal of other properties, plant and equipment	0.3	(0.1)
Impairment loss recognised in respect of properties held for sale	-	16.6
Allowance for amount due from an associate	-	2.3
Translation reserve realised on cessation of operations outside Hong Kong	-	3.5
Gain on disposal of properties	-	(23.7)
Operating cash flows before movements in working capital	48.6	81.7
Decrease in inventories	5.3	1.4
Decrease in properties held for sale	131.8	145.0
Increase in trade and other receivables and prepayments	(23.0)	(25.6)
(Increase) decrease in bills receivable	(39.6)	15.2
Decrease (increase) in amounts due from associates	23.7	(12.0)
Decrease in trade and other payables	(44.0)	(17.7)
(Decrease) increase in bills payable	(8.1)	2.9
Decrease in amount due to an associate	-	(0.1)
Net cash generated from operations	94.7	190.8
Interest and dividend income received	3.6	4.3
Interest paid on bank and other borrowings	(21.1)	(27.5)
Hong Kong Profits Tax paid	(8.9)	(11.1)
Tax paid in other jurisdictions	-	(3.4)
Net cash from operating activities	68.3	153.1

Consolidated Cash Flow Statement (cont'd)

For the year ended 31 December 2003

	2003 HK\$'M	2002 HK\$'M
Cash flows from investing activities		
Purchase of other properties, plant and equipment	(72.7)	(26.1)
Advances to associates	(27.4)	(135.5)
Purchase of properties	(15.0)	–
Increase in investment securities	(13.2)	–
Investments in associates	(3.8)	–
Decrease (increase) in investments the underlying business of which is property development	92.5	(11.6)
Proceeds from disposal of properties	10.4	37.3
Other interest received	0.5	0.8
Proceeds from disposal of other property, plant and equipment	0.2	0.6
Development costs on properties under development incurred	–	(64.4)
Consideration paid for acquisition of additional interest in a subsidiary	–	(25.5)
Increase in mortgage loans receivable	–	(1.9)
Consideration paid for acquisition of additional interest in an associate	–	(1.5)
Purchase of permanent textile quota entitlements	–	(1.0)
Net cash used in investing activities	(28.5)	(228.8)
Cash flows from financing activities		
Bank and other loans raised	266.3	270.1
Increase (decrease) in trust receipts and import loans	8.4	(0.6)
Repayment of bank and other loans	(184.6)	(161.0)
Dividend paid by the Company	(5.2)	(12.9)
Dividend paid to minority shareholders of subsidiaries	(2.2)	–
Capital contributed by a minority shareholder of a subsidiary	–	0.1
Net cash from financing activities	82.7	95.7
Increase in cash and cash equivalents	122.5	20.0
Cash and cash equivalents at beginning of the year	83.2	62.2
Effect of foreign exchange rate changes	1.7	1.0
Cash and cash equivalents at end of the year	207.4	83.2
Analysis of the balances of cash and cash equivalents:		
Bank balances and cash	207.6	90.4
Bank overdrafts	(0.2)	(7.2)
	207.4	83.2