

## Consolidated Cash Flow Statement

For the Year Ended 31st December, 2003

	2003 <i>HK\$'000</i>	2002 <i>HK\$'000</i>
<b>OPERATING ACTIVITIES</b>		
(Loss) profit from operations	(807)	52,306
Adjustments for:		
Unrealised (gain) loss on trading securities	(1,106)	1,424
Realised gain on other securities	(3,001)	–
Unrealised loss on other securities	–	782
Release of negative goodwill to income	(4,316)	(1,842)
Loss on disposal of an investment property	26,165	–
Depreciation of property, plant and equipment	1,659	3,207
Interest income	(3,579)	(4,179)
Dividend income	(279)	(744)
Gain on disposal of an associate	–	(94)
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Operating cash flows before movements in working capital	14,736	50,860
Decrease (increase) in inventories	74	(76)
Decrease in properties for sale	–	70,653
Decrease (increase) in investments in trading securities	7,846	(3,526)
Decrease in trade and other receivables, deposits and prepayments	1,022	351
Increase in trade balance due from a shareholder	(200)	(125)
(Decrease) increase in trade and other payables and rental and other deposits received	(1,921)	8,607
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Cash generated from operations	21,557	126,744
Hong Kong Profits Tax paid	(6,658)	(2,324)
Interest received	3,579	4,179
Dividends received	279	744
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<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>	<b>18,757</b>	<b>129,343</b>
<b>INVESTING ACTIVITIES</b>		
Additions to property, plant and equipment	(760)	(12,633)
Additions to investment properties	(3,477)	–
Proceeds from disposal of an investment property	51,402	–
Proceeds from disposal of other securities	9,198	–
Expenditure on properties under development	(269,368)	(15,602)
Dividend received from an associate	1,100	–
Repayment from associates	2,800	6,300
Decrease in pledged bank deposits	2,734	2,757
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<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(206,371)</b>	<b>(19,178)</b>

## Consolidated Cash Flow Statement (Continued)

For the Year Ended 31st December, 2003

	2003 <i>HK\$'000</i>	2002 <i>HK\$'000</i>
<b>FINANCING ACTIVITIES</b>		
New bank loans raised	194,624	–
Repayment of bank loans	(943)	(46,509)
Repayment to a director	–	(42,075)
Repayment to a shareholder	(120)	(10,509)
Interest paid	(3,669)	(6,109)
Expenses of issue of shares by a subsidiary	(46)	–
	<u>189,846</u>	<u>(105,202)</u>
<b>NET CASH GENERATED FROM (USED IN) FINANCING ACTIVITIES</b>		
	<u>189,846</u>	<u>(105,202)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		
	2,232	4,963
<b>CASH AND CASH EQUIVALENTS AT 1ST JANUARY</b>		
	<u>9,910</u>	<u>4,947</u>
<b>CASH AND CASH EQUIVALENTS AT 31ST DECEMBER</b>		
	<u><u>12,142</u></u>	<u><u>9,910</u></u>
<b>ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS</b>		
Bank balances and cash	<u><u>12,142</u></u>	<u><u>9,910</u></u>