

Consolidated Cash Flow Statement

For the year ended 31 December 2003

	2003 HK\$'000	2002 HK\$'000
OPERATING ACTIVITIES		
Profit/(Loss) from operations	161,509	(582,355)
Adjustments for:		
Interest income	(10,103)	(1,910)
Depreciation and amortisation of property, plant and equipment	1,461	4,049
Impairment loss recognised in respect of other non-current assets	124	–
Impairment loss recognised in respect of property, plant and equipment	–	6,562
Gain on realisation of other listed investments	–	(8,091)
Loss on disposal of other non-current assets	–	200
Loss on disposal of property, plant and equipment	398	822
Net realised and unrealised (gain)/losses on investments	(123,771)	325,696
Impairment loss recognised in respect of other investments	–	86,629
Impairment loss recognised in respect of trading investment	2,409	–
Revaluation decrease of investment properties	1,060	270
Revaluation decrease of leasehold land and buildings	68	48
Allowance for bad debts	–	13,180
Write back of:		
– provision for litigation costs	–	(7,459)
– allowance for bad debts	–	(10,000)
– long outstanding payables	–	(5,166)
Operating cash flow before movements in working capital	33,155	(177,525)
Decrease in inventories	3,503	2,596
Decrease in trading investments	67,836	87,225
(Increase)/decrease in debtors, deposits and prepayments	(23,661)	51,990
Increase in loan receivables	(20,827)	(5,000)
Increase/(decrease) in creditors and accrued charges	419	(65,579)
Decrease in customers' deposits and receipts in advance	(39,801)	(44,556)
Increase in amount due to a jointly controlled entity	–	1,200
Cash from/(used in) operating activities	20,624	(149,649)
Tax paid	(171)	(14)
Interest paid	(545)	(603)
Dividend paid	(3,715)	–
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	16,193	(150,266)

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For the year ended 31 December 2003

	NOTE	2003 HK\$'000	2002 HK\$'000
INVESTING ACTIVITIES			
Proceeds from disposal of other investments		63,835	12,991
Interest received		10,103	1,910
Proceeds from disposal of property, plant and equipment		13	388
Increase in pledged bank deposits		(19,421)	(7,567)
Purchase of other investments		(14,485)	(24,175)
Net cash outflow from disposal of subsidiaries	30	(800)	–
Purchase of property, plant and equipment		(277)	(1,295)
Net proceeds from disposal of an associate		–	37,494
Proceeds from disposal of other non-current assets		–	810
Purchase of additional interest in a subsidiary		–	(2,250)
Purchase of interest in an associate		–	(1,007)
NET CASH FROM INVESTING ACTIVITIES		38,968	17,299
FINANCING ACTIVITIES			
New bank loans raised		170,067	512,882
Proceeds from exercise of warrants		77	–
Repayment of bank loans		(170,067)	(512,882)
NET CASH FROM FINANCING ACTIVITIES		77	–
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		55,238	(132,967)
EFFECT OF CHANGES IN FOREIGN EXCHANGE RATE		(2,174)	–
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		81,536	214,503
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank balances and cash		134,600	81,536