

Consolidated Cash Flow Statement

For the year ended 31 December 2003

	<i>NOTES</i>	2003 <i>HK\$'000</i>	2002 <i>HK\$'000</i>
OPERATING ACTIVITIES			
Profit (loss) before taxation		98,116	(81,662)
Adjustments for:			
Depreciation		44,980	11,577
Amortisation of goodwill		11,181	7,454
Amortisation of premium on acquisition of associates		–	3,655
Interest expense		18,384	5,666
Interest income		(575)	(843)
Loss on disposal of property, plant and equipment		252	–
Loss on disposal of investment properties		126	5,137
Loss on disposal of an associate/subsidiaries		38	2,135
Impairment loss of investment in an option		–	48,986
Impairment loss of investment securities		–	13,300
Deficit arising on revaluation of investment properties		–	30
Share of results of associates		–	(2,611)
Operating cash flows before movements in working capital		172,502	12,824
Increase in inventories		(14,758)	(8,869)
Increase in debtors, deposits and prepayments		(72,246)	(7,573)
(Decrease) increase in creditors and accrued charges		(6,874)	68,204
Tax paid in other jurisdiction		(268)	–
NET CASH FROM OPERATING ACTIVITIES		78,356	64,586
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(100,973)	(285,900)
(Increase) decrease in pledged bank deposits		(9,770)	3,749
Advance to an associate		(46)	–
Interest received		575	2,069
Proceeds from disposal of investment properties		544	22,353
Proceed from disposal of an associate		525	–
Proceeds from disposal of property, plant and equipment		3	–
Purchase of subsidiaries (net of cash and cash equivalents acquired)	32	–	(79,921)
Purchase of investment in securities		–	(436)
Disposal of subsidiaries (net of cash and cash equivalents)	33	–	26,133
Repayment of amount due from an associate		–	5,265
Loan repayment from a former associate		–	5,000
NET CASH USED IN INVESTING ACTIVITIES		(109,142)	(301,688)

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FINANCING ACTIVITIES		
New bank loans raised	640,120	303,630
Proceeds from rights issue of shares	297,301	–
Proceeds from shares subscription	26,208	–
Advanced from a shareholder	15,286	400
Repayment of bank loans	(515,704)	(134,729)
Repayment of shareholder's loan	(122,000)	–
Interest paid on banks and other borrowings	(26,207)	(10,615)
Repayment of loan from a minority shareholder of a subsidiary	(15,140)	–
(Repayment of) advance from an associate	(5,520)	4,756
NET CASH FROM FINANCING ACTIVITIES	294,344	163,442
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	263,558	(73,660)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	85,236	158,896
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR – Bank balances and cash	348,794	85,236