

# CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2003

	2003 HK\$'000	2002 HK\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit (loss) before taxation	32,144	(291,272)
Adjustments for:		
Depreciation	51,507	64,008
Amortisation of development costs	1,396	4,935
Amortisation of goodwill	138	-
Amortisation of technology licence right	377	-
Interest expenses	64,363	79,295
Finance lease charges	282	283
Waiver of interest expense on other loans	(36,273)	-
(Gain) loss on disposal of property, plant and equipment	(16,694)	11,294
Gain on disposal of investment properties	-	(6,093)
(Surplus) deficit on revaluation of investment properties	(5,910)	68,431
Allowance for amount due from an associate	-	30,162
(Reversal of allowance) allowance for doubtful debts	(4,262)	27,599
Impairment loss recognised in respect of property, plant and equipment	12,639	35,365
Impairment loss recognised in respect of investments in securities	-	23,708
(Reversal of allowance) allowance for obsolete inventories	(23,104)	6,245
Impairment loss recognised in respect of development costs	-	3,000
Gain on partial disposal of subsidiaries	(238)	-
Loss (gain) on deemed disposal/disposal of subsidiaries	28,331	(7,840)
Loss on disposal of an associate	78	14,880
Share of results of associates	(3,701)	6,236
Operating cash flows before movements in working capital	101,073	70,236
Decrease in inventories	45,502	46,768
Increase in trade and other receivables	(139,905)	(62,005)
Increase in amounts due from associates	(10,028)	(6,215)
(Decrease) increase in trade and other payables	(26,498)	81,454
Increase in amounts due to associates	15,291	1,558
Cash (used in) generated from operations	(14,565)	131,796
Income taxes paid	(4,425)	(5,272)
<b>NET CASH (USED IN) FROM OPERATING ACTIVITIES</b>	<b>(18,990)</b>	<b>126,524</b>

# CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2003

	NOTE	2003 HK\$'000	2002 HK\$'000
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds on disposal of investment properties		14,770	42,258
Proceeds on disposal of property, plant and equipment		57,449	7,360
Purchase of property, plant and equipment		(58,024)	(56,969)
Net cash flows in respect of deemed disposal/disposal of subsidiaries	30	(25,722)	13,114
Proceeds from disposal of an associate		-	34,243
Repayment of loans receivable		18,149	11,421
Decrease in pledged bank deposits		11,166	17,287
Investment in an associate		-	(9,432)
Development costs incurred		(2,603)	(5,000)
<b>NET CASH FROM INVESTING ACTIVITIES</b>		<b>15,185</b>	<b>54,282</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Interest paid		(55,189)	(79,295)
Finance lease charges		(282)	(283)
New loans raised		214,376	158,521
Contribution from minority shareholders		981	-
Repayment of loans		(118,123)	(226,060)
Repayment of obligations under finance leases		(4,812)	(3,876)
Repayment to a major shareholder		-	(703)
<b>NET CASH FROM (USED IN) FINANCING ACTIVITIES</b>		<b>36,951</b>	<b>(151,696)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>33,146</b>	<b>29,110</b>
<b>CASH AND CASH EQUIVALENTS AT 1 JANUARY</b>		<b>221,086</b>	<b>191,976</b>
<b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER</b>		<b>254,232</b>	<b>221,086</b>
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Bank balances and cash		301,440	290,504
Bank overdrafts		(47,208)	(69,418)
		<b>254,232</b>	<b>221,086</b>