

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2002
(Expressed in Hong Kong dollars)

	Note	2002 \$'000	2001 \$'000
Cash Flows from Operating Activities			
(Loss)/Profit before taxation		(5,975)	51,582
Adjustments for:			
Interest income		(2,458)	(7,352)
Depreciation		1,510	1,360
Deficit/(Surplus) on revaluation of investment properties		4,750	(3,514)
Gain on disposal of subsidiaries		(2,345)	–
Gain on disposal of associate		(6,603)	–
Loss on disposal of fixed assets		154	–
Loss on disposal of property management business		–	1,008
Loss on disposal of investment properties		2,046	3,318
Exchange differences		(28)	(321)
Operating (loss)/profit before working capital changes		(8,949)	46,081
Decrease/(Increase) in amounts due from associates		29,807	(30,412)
Decrease in investments		–	13,209
Decrease in properties held for resale		–	24,000
Decrease in accounts receivable, other receivables and prepayment		25,063	48,016
Decrease/(Increase) in amount due from fellow subsidiary (Decrease)/Increase in accounts payables, other payables and accruals		9,247	(6,808)
Increase/(Decrease) in amount due to related party		3,222	(1,800)
Increase in amount due to a director		2,723	–
(Decrease)/Increase in amount due to minority shareholder		(1,325)	1,325
Cash generated from operations		51,174	97,223
Interest received		2,458	7,352
Interest element of finance lease		(63)	(92)
Other borrowing costs paid		(3,162)	(4,098)
Hong Kong profits tax paid		(2,158)	(264)
Net cash inflow from operating activities		48,249	100,121
Cash Flows from Investing Activities			
Purchases of fixed assets and properties under development		(117,528)	(35,618)
Payment of acquisition of other investments		(216,467)	–
Proceeds from disposal of investment properties and other fixed assets		106,704	35,796
Payment for purchase of associates		–	(5)
Refund of investment deposits		18,870	52,340
Deposits for investments		(69,480)	(263,278)
Purchase of additional interest in a subsidiary		–	(296)
Proceeds from disposal of property management business		–	19,000
Proceeds from disposal of subsidiaries		64,492	–
Loans to third parties		–	(76,994)
Cash effect of disposal of subsidiaries	35	(2,182)	–
Repayment of loans from third parties		10,623	98,000
Net cash outflow from investing activities		(204,968)	(171,055)
Net cash outflow before financing activities carried forward		(156,719)	(70,934)

CONSOLIDATED CASH FLOW STATEMENT (cont'd)

For the year ended 31 December 2002
(Expressed in Hong Kong dollars)

	<i>Notes</i>	2002 \$'000	2001 \$'000
Net cash outflow before financing activities brought forward		(156,719)	(70,934)
Cash Flows from Financing Activities			
Proceeds from placing of shares		138,172	98,671
Capital element of finance lease rentals		(621)	(938)
Repayment of bank loans		(3,557)	(50,371)
New bank loans		19,966	49,177
Net cash outflow from financing activities		153,960	96,539
Net (Decrease)/Increase in Cash and Cash Equivalents		(2,759)	25,605
Effect of foreign exchange rate changes		(293)	(200)
Cash and cash equivalents at beginning of year		31,301	5,896
Cash and cash equivalents at end of year		28,249	31,301
Analysis of Balances of Cash and Cash Equivalents			
Cash and bank balances	25	38,293	46,231
Bank overdrafts	25	(10,044)	(14,930)
		28,249	31,301

The accompanying notes form an integral part of these financial statements.