

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	For the six months ended 30 June	
	2004	2003
	(Unaudited) HK\$'000	(Unaudited) HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) from operating activities before taxation	146,268	(91,948)
Adjustment for:		
Interest income	(2)	(1)
Gain arising from debts discharged under Creditors' Scheme	(100,306)	-
Gain on deconsolidation of a subsidiary under winding-up Court order	(50,235)	-
Gain on disposal of subsidiaries	(516)	-
Depreciation	276	813
Provision for doubtful debts	139	6,366
Loss on disposal of property, plant and equipment	-	136
Loss on disposal of a club membership	-	193
Amortisation of intangible assets	-	56,602
Share of results of associated companies	-	(2)
Amortisation of premium on acquisition of associated companies	-	3,883
Finance costs	811	2,693
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Operating loss before working capital changes	(3,565)	(21,265)
Increase in gross amounts due from customers on construction contracts	(9,932)	(733)
Increase in accounts receivable	(829)	(83)
Decrease/(increase) in prepayments, deposits and other receivables	(4,700)	9,341
Increase in gross amounts due to customers on construction contracts	1,820	529
Increase in accounts payable	1,576	4,306
Increase in accruals and other payables	2,059	4,392
Decrease in other non-current liabilities	-	(1,902)
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Cash used in operations	(13,571)	(5,415)
Net interest paid	-	(2,692)
Hong Kong profits tax paid	-	(3)
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Net cash used in operating activities	(13,571)	(8,110)

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CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(502)	(13)
Gain on deconsolidation of a subsidiary under winding-up Court order	(43)	(132)
Proceeds from disposal of a club membership	—	632
Net cash from/(used in) investing activities	<u>(545)</u>	<u>487</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest received	2	—
Proceeds from issue of share capital	23,054	—
Payment to Scheme Creditors	(12,000)	—
Advances from a shareholder	6,635	7,056
Net cash from financing activities	<u>17,691</u>	<u>7,056</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		
	3,575	(567)
CASH AND CASH EQUIVALENTS AT 1 JANUARY		
	112	1,774
Effect of change in exchange rates	—	(90)
CASH AND CASH EQUIVALENTS AT 30 JUNE	<u><u>3,687</u></u>	<u><u>1,117</u></u>
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank and cash balances	<u><u>3,687</u></u>	<u><u>1,117</u></u>