

CONSOLIDATED CASH FLOW STATEMENT



Year ended 31st December, 2002

	Notes	2002 HK\$'000	2001 HK\$'000 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		132,296	19,770
Adjustments for:			
Finance costs	7	6,760	19,166
Share of profits and losses of jointly controlled entities and associates		(73,384)	(80,647)
Interest income	5	(2,285)	(6,060)
Waiver of amounts due to related companies	5	(3,581)	–
Write off of interest receivable from a jointly controlled entity	6	2,754	–
Gain on disposal of subsidiaries	5	(69,086)	–
Gain on disposal of associates	5	(58,766)	–
Loss on disposal of investment properties	6	289	–
Depreciation	6	4,391	2,344
Amortisation of goodwill	6	3,594	3,595
Negative goodwill recognised as income	5	(5,490)	–
Impairment of an investment in a jointly-controlled entity	6	–	2,950
Deficit on revaluation of investment properties	6	2,860	–
Operating profit before working capital changes		(59,648)	(38,882)
Increase in other debtors, prepayments and deposits		(8,326)	(1,197)
(Increase)/Decrease in inventories		1,218	(26,670)
Increase in amounts due from related companies		(1,842)	(1,631)
Increase in trade creditors		6,024	23,942
Increase in other creditors and accruals		12,495	2,893
Decrease in an amount due to the ultimate holding company		(5)	(107)
Cash used by operations		(50,084)	(41,652)
Overseas taxes refunded/(paid)		276	(852)
Net cash outflow from operating activities		(49,808)	(42,504)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		2,285	6,060
Purchases of fixed assets		(33,018)	(19,329)
Deposit for acquisition of a fixed asset		(826)	–
Investment in an associate		(5,965)	(13,672)
Acquisition of certain equity interest in a subsidiary		(6,861)	–
Proceeds from disposal of fixed assets		254	–
Proceeds from disposal of investment properties		1,851	–
Proceeds from disposal of equity interest in a subsidiary	31(b)	264,609	–
Proceeds from disposal of equity interest in an associate		70,154	4,681
Deposits received from disposal of equity interest in a subsidiary		–	12,910
Repayment of loans to jointly-controlled entities		190,414	–
Advances from associates		–	3,900
Decrease in time deposits with original maturity of greater than three months when acquired		–	13,913
Net cash inflow from investing activities		482,897	8,463



CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)

Year ended 31st December, 2002

	2002 HK\$'000	2001 HK\$'000 (Restated)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of interest-bearing bank and other borrowings	(195,958)	(85,628)
Advances from jointly-controlled entities	129,993	70,696
Advances from/(Repayment to) related companies	(8,059)	1,412
Repayment of loans from related companies	(35,411)	—
Repayment to a minority shareholder	(12,341)	(3,668)
Interest paid	(6,760)	(16,794)
Net cash outflow from financing activities	(128,536)	(33,982)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	304,553	(68,023)
Cash and cash equivalents at beginning of year	27,329	95,242
Effect of foreign exchange rate changes, net	—	110
Cash and cash equivalents at end of year	331,882	27,329
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	190,669	22,708
Time deposits with original maturity of less than three months when acquired	141,213	4,621
	331,882	27,329