

Consolidated Cash Flow Statement

YEAR ENDED 31 DECEMBER 2002

	Notes	2002 HK\$'000	2001 HK\$'000 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(383,650)	(780,192)
Adjustments for:			
Finance costs	9	40,286	69,800
Share of profits and losses of jointly-controlled entities		1,521	(2,370)
Share of profits and losses of associates		(22,943)	20,502
Interest income	7	(3,104)	(7,102)
Dividend income from listed investments	7	(28)	(49)
Depreciation	7	98,978	115,240
Amortisation of intangible assets	7	1,843	1,630
Amortisation of goodwill	7	303	–
Revaluation deficit on investment properties	7	988	32,188
Impairment of goodwill	7	–	333,053
Impairment of land and buildings	7	29,095	17,174
Impairment of other fixed assets	7	75,280	152,500
Loss/(gain) on changes in fair values of short term investments, net	7	23	(307)
Gain on disposal of short term investments, net	7	(750)	(1,077)
Loss on disposal of long term investments	7	–	6
Loss on disposal of land and buildings	7	–	79
Loss on disposal of other fixed assets	7	3,033	1,138
Loss on disposal of an investment property	7	–	358
Loss/(gain) on disposal of subsidiaries	7	(99,503)	4,808
Loss on disposal of discontinued operations	7	213,340	–
Gain on dissolution of a subsidiary	7	(921)	–
Loss on deemed disposal of interest in an associate	7	–	940
Provisions for bad debts, net	7	43,563	68,599
Write-off of an amount due from a related company	7	227	–
Provision against loan to an associate	7	–	18,332
Provision against amount due from an associate	7	–	3,589
Provision/(write-back of provision) for compensation	7	(1,014)	4,527
Operating profit/(loss) before working capital changes		(3,433)	53,366
Decrease/(increase) in accounts and bills receivables		(18,877)	35,007
Decrease in prepayments, deposits and other receivables		12,426	31,747
Decrease/(increase) in inventories		29,960	(39,651)
Decrease/(increase) in amounts due from related companies		(35,375)	5,693
Decrease in an amount due from an associate		2	480
Increase/(decrease) in accounts and bills payables		30,235	(15,512)
Increase/(decrease) in other payables and accrued liabilities		42,505	(28,301)
Increase/(decrease) in amounts due to related companies		(7,800)	9,653
Decrease in provision		(2,806)	–
Cash generated from operations		46,837	52,482
Interest paid		(39,944)	(61,907)
Interest element of finance lease payments		(342)	(401)
Hong Kong profits tax paid		–	(221)
Overseas taxes paid		(3,105)	(29)
Exchange adjustments		(472)	571

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YEAR ENDED 31 DECEMBER 2002

	Notes	2002 HK\$'000	2001 HK\$'000 (Restated)
Net cash inflow/(outflow) from operating activities			
Continuing operations		4,867	(11,199)
Discontinued operations		(1,893)	1,694
Total		2,974	(9,505)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		3,104	7,102
Dividends received from listed investments		28	49
Dividends received from a jointly-controlled entity		2,605	50
Additions of intangible assets		–	(2,453)
Decrease/(increase) in pledged deposits		2,403	(3,494)
Purchases of fixed assets	15	(25,821)	(18,845)
Acquisition of a subsidiary	40(b)	(198,216)	–
Disposal of interests in subsidiaries	40(c)	179,697	11,209
Proceeds from disposal of fixed assets		692	126
Proceeds from disposal of an investment property		–	142
Proceeds from disposal of short term investments		8,250	1,346
Proceeds from disposal of long term investments		151	154
Net cash inflow/(outflow) from investing activities		(181,295)	(17,266)
Continuing operations		154,188	12,652
Discontinued operations			
Total		(27,107)	(4,614)
CASH FLOWS FROM FINANCING ACTIVITIES			
Issues of shares	36(b)	–	92,000
Share issue expenses	38	–	(2,529)
Issue of a convertible note	33	200,000	–
Redemption of convertible bonds		–	(240,385)
New bank loans		231,041	251,736
Repayment of bank loans		(236,780)	(262,524)
Decrease in trust receipt loans		(207)	(1,781)
Capital element of finance lease payments		(22,281)	(29,159)
New short term loans from related companies		114,523	176,678
Repayment of short term loans from related companies		(292,483)	(2,501)
Advances from/(repayment of advances from) minority interests, net		(2,730)	1,167
Net cash inflow/(outflow) from financing activities		6,083	(17,298)
Continuing operations		(15,000)	–
Discontinued operations			
Total		(8,917)	(17,298)
NET DECREASE IN CASH AND CASH EQUIVALENTS		(33,050)	(31,417)
Cash and cash equivalents at beginning of year		191,147	222,564
CASH AND CASH EQUIVALENTS AT END OF YEAR		158,097	191,147
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances		158,097	191,147

