

Consolidated Cash Flow Statement

For the year ended 31 December 2002

(Expressed in Hong Kong dollars)

| | Note | 2002 \$'000 | 2001 \$'000 |
|---|------|----------------|-----------------|
| Operating activities | | | |
| Profit from ordinary activities before taxation | | 24,122 | 14,635 |
| Adjustments for: | | | |
| – Interest income | | (1,828) | (3,408) |
| – Income from non-trading investments | | (13) | (17) |
| – Depreciation | | 50,479 | 31,812 |
| – Finance costs | | 10,795 | 20,707 |
| – Share of profits less losses of associates | | (18,886) | (31,437) |
| – Loss on disposal of properties under development | | – | 8,402 |
| – Profit on disposal of fixed assets | | – | (2) |
| – Effect of foreign exchange rates | | (796) | (2,888) |
| – Gain arising from liquidation of subsidiary | | (2,187) | – |
| Operating profit before changes in working capital | | 61,686 | 37,804 |
| Increase in properties under development held for sale | | (29,269) | (3,968) |
| Decrease in properties held for sale | | 94,460 | 134,415 |
| Decrease/(increase) in inventories | | 160 | (87) |
| Increase in trade and other receivables | | (954) | (18,018) |
| Decrease in trade and other payables | | (7,474) | (66,189) |
| Decrease in amounts due to an affiliated company | | (17,260) | (92,687) |
| Cash generated from/(used in) operations | | 101,349 | (8,730) |
| Overseas tax paid | | (3,712) | (2,908) |
| Net cash generated from/(used in) operating activities | | 97,637 | (11,638) |
| Investing activities | | | |
| Purchase of fixed assets | | (7,943) | (1,920) |
| Proceeds from disposal of fixed assets | | 34 | 9 |
| Addition to property under development held for long term purpose | | – | (5,677) |
| Proceeds from disposal of property under development | | – | 10,093 |
| Repayment from associates | | 23,658 | 29,155 |
| Interest received | | 1,828 | 3,408 |
| Dividends received from other listed investments | | 13 | 17 |
| Proceeds from share redemption of an associate | | 3,988 | – |
| Net cash generated from investing activities | | 21,578 | 35,085 |

Consolidated Cash Flow Statement (Continued)

For the year ended 31 December 2002

(Expressed in Hong Kong dollars)

| | <i>Note</i> | 2002 \$'000 | 2001 \$'000 |
|---|-------------|------------------------------|----------------|
| Financing activities | | | |
| Draw down of new bank loan | | 20,000 | 50,708 |
| Repayment of bank loans | | (10,096) | (62,878) |
| Advance from minority shareholders | | 12,036 | 30,442 |
| Interest paid | | (13,736) | (27,456) |
| Dividends paid | | (3,402) | – |
| Dividends paid to minority shareholders | | (20,573) | (32,912) |
| | | <hr/> | <hr/> |
| Net cash used in financing activities | | (15,771) | (42,096) |
| | | <hr/> | <hr/> |
| Net increase/(decrease) in cash and cash equivalents | | 103,444 | (18,649) |
| Cash and cash equivalents at 1 January | | 58,827 | 77,476 |
| | | <hr/> | <hr/> |
| Cash and cash equivalents at 31 December | <i>19</i> | 162,271 | 58,827 |
| | | <hr/> | <hr/> |

The notes on pages 26 to 65 form part of these financial statements.