

Consolidated Cash Flow Statement

Year ended 31 December 2002

	Notes	2002 HK\$'000	2001 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		152,833	114,837
Adjustment for:			
Finance costs	7	47,967	22,024
Share of profits and losses of associates		(51,891)	(15,715)
Interest income	5	(9,622)	(18,624)
Depreciation	6	7,334	6,010
Expenses for acquisition of subsidiaries		6,897	–
Gain on disposal of subsidiaries	5	–	(95,008)
Loss on disposal of fixed assets	6	–	127
Provision for impairment in fair values of short term listed and unlisted investments	6	129	66
Provision for impairment in value of long term investments	6	31,398	22,747
Provision for impairment of goodwill	6	–	1,283
Transfer from reserves for right issue		11,529	–
Negative goodwill recognised as income:			
Amortised during the year		(117,202)	(12,286)
Released to cost of sales		–	(30,430)
Operating profit/(loss) before working capital changes		79,372	(4,969)
Decrease in properties held for sale		441,012	114,247
Decrease in inventories		6,609	4,242
Increase in trade receivables		(96,745)	(35,470)
Decrease in mortgages and unsecured loans receivable		21,237	96,889
Decrease/(increase) in other debtors, deposits and prepayments		162,860	(70,276)
Increase/(decrease) in trade payables		5,662	(37,071)
Increase/(decrease) in other payables		(147,874)	155,321
Decrease in amount due to related companies		(212,788)	–
Decrease in amounts due to directors		–	(1,179)
Decrease in amount due to the ultimate holding company		(74,070)	(17,489)
Cash generated from/(utilised by) operations		185,275	204,245
Interest received		9,622	18,624
Interest paid		(213,000)	(147,106)
Tax paid (Hong Kong and elsewhere in Mainland China)		(59,869)	(7,845)
Net cash inflow/(outflow) from operating activities		(77,972)	67,918

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CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to investment properties		–	(16,777)
Proceeds from disposal of short term investments		–	28,607
Proceeds from disposal of long term investment		3,851	–
Purchase of long term investments		–	(3,851)
Purchase of fixed assets		(2,285)	(3,272)
Additions to properties under development		(437,108)	(711,351)
Proceeds from disposals of fixed assets		6,752	950
Disposal of land bank deposits		178,600	–
Net advances to associates		(59,866)	(48,449)
Acquisition of subsidiary	35(a)	(286,848)	–
Partial acquisition of subsidiaries	35(b)	–	(32,383)
Disposal of subsidiaries	35(c)	–	140,970
Increase in pledged time deposits		14,138	(251,523)
Net cash outflow from investing activities		(582,766)	(897,079)
CASH FLOWS FROM FINANCING ACTIVITIES			
Share issue expenses	33	–	(6,663)
Advances/(repayment) of loans from related companies		(257,500)	44,610
Net proceeds from new bank loans		687,833	853,099
Net proceeds from new other loans		445,384	23,154
Net advances from/(to) minority interests		22,435	26,759
Net cash inflow from financing activities		898,152	940,959
NET INCREASE IN CASH AND CASH EQUIVALENTS		237,414	111,798
Cash and cash equivalents at beginning of year		99,437	(12,361)
Effect of foreign exchange rate changes		–	–
CASH AND CASH EQUIVALENTS AT END OF YEAR		336,851	99,437
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and cash equivalents	25	457,384	238,258
Bank overdrafts	29	(120,533)	(138,821)
		336,851	99,437