

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		(191,293)	(119,299)
Adjustments for:			
Share of profits and losses of:			
Jointly-controlled entities		65	15
An associate		13,991	(4,014)
Finance costs	11	37	458
Interest income	6, 7	(1,624)	(4,321)
Amortisation of goodwill	7	97	—
Depreciation	7	9,165	8,646
Deficit arising from revaluation of leasehold land and buildings	7	158	2,024
Deficit arising from revaluation of investment properties	7	350	1,020
Diminution in value of an investment property	7	—	4,000
Impairment loss of fixed assets	7	785	5,681
Provision for impairment in value of an unlisted investment		—	350
Provision for a loan to Acme Landis Operations Holdings Limited	22	42,115	—
Provision for bad debts	7	6,082	3,791
Provision for loans to an associate		14,216	—
Provision for impairment of goodwill		48,807	—
Loss on discontinued operations	8	4,615	—
Loss on disposal of fixed assets	7	410	2,541
Gain on disposal of a listed investment		—	(103)
Gain on disposal of a subsidiary		—	(76)
Negative goodwill recognised as income		—	(655)
Operating loss before working capital changes		(52,024)	(99,942)
Decrease in inventories		2,410	6,521
Decrease/(increase) in construction contracts		(94)	16,187
Decrease/(increase) in accounts receivable		(4,372)	11,541
Decrease in prepayments, deposits and other receivables		764	2,673
Decrease in accounts and bills payables		(11,266)	(1,542)
Increase/(decrease) in other payables and accruals		14,009	(5,257)
Increase/(decrease) in amounts due to contract customers		(641)	3,059
Decrease in fees in advance		—	(4,832)
Increase in deferred income		115	—
Decrease in customer deposits		(30)	(515)
Cash used in operations		(51,129)	(72,107)
Interest paid		(37)	(458)
Hong Kong profits tax refunded/(paid)		(77)	172
Net cash outflow from operating activities – Page 26		(51,243)	(72,393)

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Net cash outflow from operating activities – Page 25		(51,243)	(72,393)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		1,624	4,321
Purchases of fixed assets	15	(4,476)	(10,791)
Proceeds from disposal of fixed assets		7	908
Purchases of long term investments		—	(600)
Investment in a jointly-controlled entity		—	(1,170)
Advance from a jointly-controlled entity		1,234	—
Advances to an associate		(4,394)	(3,978)
Repayment of loan from a jointly-controlled entity		—	17
Acquisition of subsidiaries/business	31(b)	(103)	25
Disposal of subsidiaries	31(c)	(4,894)	10,987
Proceeds from disposal of a listed investment		—	490
Net cash inflow/(outflow) from investing activities		(11,002)	209
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid to minority shareholders		—	(339)
Proceeds from issue of share capital	28	30,000	—
Share issue expenses	28	(2,519)	—
New bank loans		4,424	5,000
Repayment of bank loans		(600)	(12,688)
Net cash inflow/(outflow) from financing activities		31,305	(8,027)
NET DECREASE IN CASH AND CASH EQUIVALENTS		(30,940)	(80,211)
Cash and cash equivalents at beginning of year		32,762	112,975
Effect of foreign exchange rate changes, net		—	(2)
CASH AND CASH EQUIVALENTS AT END OF YEAR – Page 27		1,822	32,762

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CASH AND CASH EQUIVALENTS AT END OF YEAR – Page 26		1,822	32,762
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	25	1,822	6,113
Time deposits with original maturity of less than three months when acquired	25	—	25,529
Time deposits with original maturity of less than three months when acquired, pledged as security for banking facilities	25	—	1,120
		1,822	32,762