

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st December, 2003

	2003 HK\$'000	2002 HK\$'000
OPERATING ACTIVITIES		
Profit (loss) from operations	68,409	(22,236)
Adjustments for:		
Depreciation and amortisation of property, plant and equipment	70,429	67,541
Amortisation of intangible assets	399	4,967
Amortisation of deferred licensing income	(14,954)	(14,954)
Impairment loss on investments in securities	13,470	20,419
Loss on disposal of investment properties	4,760	–
Loss on disposal of property, plant and equipment	351	2,449
(Surplus) deficit arising on revaluation of investment properties	(24,636)	46,226
Deficit arising on revaluation of hotel properties	4,148	–
Release of negative goodwill	(879)	(879)
Unrealised holding (gain) loss on other investments	(1,798)	8,745
Operating cash flows before movements in working capital	119,699	112,278
(Increase) decrease in stores	(533)	686
Decrease (increase) in inventories	4,455	(11,224)
Decrease (increase) in trade and other receivables	58,614	(97,106)
(Increase) decrease in short-term loans receivable	(16,837)	9,346
Decrease in amounts due from associates	45,253	–
Decrease in other investments	25,444	3,247
Increase (decrease) in trade and other payables	71,095	(33,992)
Increase (decrease) in property rental deposits	880	(341)
Net cash generated from (used in) operations	308,070	(17,106)
PRC income tax paid	(3,821)	(5,165)
Hong Kong Profits Tax refunded	13	4
Interest paid	(20,230)	(18,890)
NET CASH FROM (USED IN) OPERATING ACTIVITIES	284,032	(41,157)

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st December, 2003

	Notes	2003 HK\$'000	2002 HK\$'000
INVESTING ACTIVITIES			
Investment in a property development project		(197,271)	–
Purchase of property, plant and equipment		(135,008)	(57,789)
Capital contributions to associates		(128,000)	–
Disposal of subsidiaries			
(net of cash and cash equivalents disposed of)	37	(89,075)	–
Additions to hotel properties		(56,028)	–
Deposit paid for a hotel project		(30,000)	–
Decrease (increase) in pledged bank deposits		74,672	(58,040)
Proceeds from disposal of investment properties		34,810	–
Repayment from jointly controlled entities		15,844	7,532
Decrease in bank deposits held for investment purpose		9,627	27,052
Dividend received from an associate		7,000	13,084
Proceeds from disposal of property, plant and equipment		822	35,328
Proceeds from disposal of an associate		–	293,095
Dilution of interest in a subsidiary to an associate	38	–	6,087
Purchase of subsidiaries (net of cash and cash equivalents acquired)	36	–	(150,000)
Purchase of investments in securities		–	(20,868)
Advance to associates		–	(7,870)
Proceeds from disposal of investments in securities		–	216
NET CASH (USED IN) FROM INVESTING ACTIVITIES		(492,607)	87,827
FINANCING ACTIVITIES			
Borrowings raised		495,860	365,532
Repayment of borrowings		(371,238)	(216,629)
Dividend paid to a minority shareholder of a subsidiary		(5,300)	(6,875)
Dividend paid to a minority shareholder of a former subsidiary		(5,013)	–
Proceeds from issue of shares		60	–
Repurchase of shares		–	(1,768)
NET CASH FROM FINANCING ACTIVITIES		114,369	140,260
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		(94,206)	186,930
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		335,175	148,245
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		240,969	335,175
ANALYSIS OF THE BALANCE OF CASH AND CASH EQUIVALENTS			
Bank balances, deposits and cash		243,290	347,123
Less: Bank deposits held for investment purpose		(2,321)	(11,948)
		240,969	335,175