

Consolidated Cash Flow Statement

for the year ended 31st December, 2003

	2003 HK\$'000	2002 HK\$'000
Operating activities		
Profit (loss) from operations	512,844	(210,777)
Adjustments for:		
Bad and doubtful debts	230,759	506,115
Depreciation	29,367	38,053
Impairment loss recognised in respect of properties held for sale	22,546	104,000
Impairment loss recognised in respect of properties under development	12,200	17,100
Impairment loss recognised in respect of non-trading securities	6,713	12,306
Deficit arising on revaluation of investment properties	6,145	440,948
Loss on disposal of fixed assets	3,273	1,378
Loss (profit) on disposal of associates	3,088	(3,725)
Amortisation of intangible assets	2,780	1,366
Loss (profit) on disposal of subsidiaries	2,229	(2,020)
Loss (profit) on disposal of non-trading securities	753	(1,123)
(Write-back of) loss arising from default of loan agreement with Millennium Touch Limited (note 26)	(26,412)	10,110
Profit on repurchase of loan notes	(23,226)	–
Amortisation of capital reserve	(20,095)	(25,832)
Net unrealised (profit) loss on trading securities	(7,142)	11,193
Intangible assets written off	–	4,472
Operating cash flow before movements in working capital	755,822	903,564
Increase in properties under development for sale	–	(51,185)
Decrease in properties held for sale and other inventories	19,220	119,022
(Increase) decrease in trading securities	(10,238)	8,316
Increase in loans and advances to consumer finance customers	(224,171)	(5,161)
(Increase) decrease in accounts receivable, deposits and prepayments	(757,983)	632,416
Increase in accounts payable and accrued charges	769,831	107,600
Cash generated from operations	552,481	1,714,572
Tax outside Hong Kong refunded (paid)	95	(1,513)
Interest paid	(63,111)	(78,431)
Hong Kong Profits Tax paid	(43,146)	(42,197)
Tax reserve certificates refunded	–	11
Net cash from operating activities	446,319	1,592,442

Consolidated Cash Flow Statement (Cont'd)

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for the year ended 31st December, 2003

	Notes	2003 HK\$'000	2002 HK\$'000
Investing activities			
Amounts repaid by associates		22,342	10,517
Dividend received from associates		17,812	18,602
Proceeds on disposal of non-trading securities		6,348	1,534
Amounts repaid by investee companies		2,951	12,837
Proceeds on disposal of an associate		2,446	26,915
Amount repaid by a jointly controlled entity		2,338	5,410
Proceeds on disposal of fixed assets		101	33
Proceeds on disposal of subsidiaries (net of cash and cash equivalents disposed of)	35	87	(554)
Acquisition of subsidiaries (net of cash and cash equivalents acquired)	36	(49,579)	–
Acquisition of additional interest in subsidiaries		(20,301)	(208,201)
Additions to properties under development		(14,790)	(21,540)
Purchase of fixed assets		(14,788)	(22,172)
Acquisition of an associate		(6,156)	(142,134)
Purchase of intangible assets		(5,001)	(4,528)
Amount advanced to a jointly controlled entity		(2,830)	(3,403)
Purchase of non-trading securities		(560)	(7,033)
Increase in pledged bank deposits		(487)	–
Acquisition of a jointly controlled entity		–	(936)
Net cash used in investing activities		(60,067)	(334,653)
Financing activities			
New bank and other borrowings raised		877,954	340,000
Amount advanced by a jointly controlled entity		23,617	120,149
Amounts advanced by associates		1,450	125
Net proceeds received from issue of shares by a subsidiary		29	–
Repayment of bank and other borrowings		(897,686)	(1,537,919)
Repurchase of loan notes		(124,349)	–
Amounts paid on share repurchase		(119,898)	–
Amounts paid by a subsidiary on repurchase of its shares		(83,945)	–
Dividends paid by subsidiaries to minority shareholders		(72,202)	(115,537)
Repayment of obligations under a finance lease		(850)	(746)
Amount repaid to associates		(163)	–
Amount repaid to a jointly controlled entity		–	(208)
Share issue expenses of a subsidiary		–	(38)
Net cash used in financing activities		(396,043)	(1,194,174)
(Decrease) increase in cash and cash equivalents		(9,791)	63,615
Exchange adjustments		935	615
Cash and cash equivalents at 1st January		616,681	552,451
Cash and cash equivalents at 31st December		607,825	616,681
Analysis of the balances of cash and cash equivalents			
Bank deposits, bank balances and cash		763,072	619,536
Bank overdrafts		(155,247)	(2,855)
		607,825	616,681