



# CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 December 2003

	Notes	2003 HK\$'000	2002 HK\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Loss before tax		(82,190)	(116,333)
Adjustments for:			
Finance costs	8	23,402	24,195
Share of profits and losses of jointly-controlled entities and associates		(43,817)	(42,553)
Interest income	5	(296)	(3,259)
Revaluation deficit/(surplus) on leasehold land and buildings	6	465	(203)
Revaluation deficit on investment properties	6	3,486	42,901
Impairment of properties contracted/held for sale	6	880	1,659
Provision for doubtful debts	6	23,585	–
Provision against other receivables	6	43,425	6,941
Provision against amounts due from associates	6	–	10,437
Impairment of investment securities	6	178	–
Depreciation	12	1,600	2,600
Write off of fixed assets	6	37	559
Loss/(gain) on disposal of fixed assets	6	(70)	3
Loss on disposal of investment properties	6	3,155	15,001
Gain on disposal of subsidiaries	6	(739)	–
Amortisation of goodwill	6	250	500
Loss on disposal of jointly-controlled entities	6	–	27,165
Arrangement fee for debt settlement	6	13,738	–
Operating loss before working capital changes		(12,911)	(30,387)
Increase in properties under development		(10)	(62)
Decrease in properties contracted/held for sale		–	528
Decrease in amounts due from contract customers		5,347	24,734
Decrease/(increase) in accounts receivable		5,436	(18,747)
Increase in prepayments, deposits and other receivables		(5,618)	(25,696)
Increase in amounts due from a joint venturer		(433)	(3,538)
Decrease in other investments		716	3,522
Increase in restricted bank balance		(1,819)	–
Increase in accounts payable		2,427	1,426
Decrease in accruals and other payables		(6,372)	(3,259)
Increase/(decrease) in customer deposits received		949	(425)
Decrease in amount due to a joint venturer		(585)	(583)
Increase in amount due to ultimate holding company		6,504	–
Cash used in operations		(6,369)	(52,487)
Interest received		296	3,259
Hong Kong profits tax paid		(6)	(96)
Overseas taxes paid		–	(5)
Net cash outflow from operating activities		(6,079)	(49,329)

# CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 December 2003



	Notes	2003 HK\$'000	2002 HK\$'000
Net cash outflow from operating activities		(6,079)	(49,329)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividend received from a jointly-controlled entity		1,918	17,065
Purchases of fixed assets	12	(1,966)	(171)
Proceeds from disposal of fixed assets		546	1
Purchases of investment properties	13	(5,148)	(500)
Proceeds from disposal of investment properties		10,873	25,581
Acquisition of subsidiaries	35(a)	–	6
Proceeds from disposal of subsidiaries	35(b)	4,460	–
Proceeds from disposal of a jointly-controlled entity		–	4,678
Decrease in pledged bank deposits		5,005	7,670
Net cash inflow from investing activities		15,688	54,330
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital	32	11,025	11,000
Share issue expenses	34	(431)	(108)
Advance from a jointly-controlled entity		7,649	78,935
Repayment to a jointly-controlled entity		(12,757)	(23,507)
Advance from a joint venturer		14,719	25,490
Repayment to a joint venturer		(10,350)	(25,004)
Drawdown of bank loans		4,575	17,723
Drawdown of other loans		20,000	5,000
Repayment of bank loans		(9,640)	(71,341)
Repayment of other loans		(5,000)	–
Interest paid		(23,402)	(24,195)
Net cash outflow from financing activities		(3,612)	(6,007)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		5,997	(1,006)
Cash and cash equivalents at beginning of year		1,917	2,923
CASH AND CASH EQUIVALENTS AT END OF YEAR		7,914	1,917
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances		7,914	4,983
Bank overdrafts		–	(3,066)
		7,914	1,917