



CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 December 2004

	Notes	2004 HK\$'000	2003 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) before tax		14,905	(82,190)
Adjustments for:			
Finance costs	9	11,669	23,402
Share of profit of a jointly-controlled entity		(35,238)	(43,817)
Depreciation	7	332	1,600
Interest income	6	(66)	(296)
Gain on disposal of fixed assets	7	(30)	(70)
Write-off of fixed assets	7	746	37
Write-off of investment properties	7	470	–
Loss on disposal of investment properties	7	–	3,155
Revaluation deficit on leasehold land and buildings	7	–	465
Revaluation deficit/(surplus) on investment properties	7	(18,072)	3,486
Impairment of properties contracted/held for sale	7	–	880
Impairment of investment securities	7	–	178
Net loss on reclassification of subsidiaries to long term investments	7	3,352	–
Gain on disposal of subsidiaries	7	–	(739)
Write-off of other receivables	7	111	–
Provision for doubtful debts	7	–	23,585
Provision against other receivables	7	–	43,425
Amortisation of goodwill	7	–	250
Arrangement fee for debt settlement	7	–	13,738
Operating loss before working capital changes		(21,821)	(12,911)
Increase in properties under development		–	(10)
Decrease in amounts due from contract customers		1,331	5,347
Decrease/(increase) in accounts receivable		(10,034)	5,436
Decrease/(increase) in prepayments, deposits and other receivables		102	(5,618)
Decrease in an amount due from a jointly-controlled entity		195	–
Decrease/(increase) in amounts due from a joint venturer		3,375	(433)
Decrease in other investments		–	716
Increase/(decrease) in restricted bank balance		417	(1,819)
Increase in amounts due to contract customers		3,484	–
Increase in accounts payable		5,042	2,427
Increase/(decrease) in accruals and other payables		222	(6,372)
Increase in customer deposits received		–	949
Decrease in an amount due to a joint venturer		(16)	(585)
Increase in an amount due to the ultimate holding company		–	6,504
Increase in amounts due to related companies		159	–
Cash used in operations		(17,544)	(6,369)
Interest received		66	296
Hong Kong profits tax paid		(80)	(6)
Overseas taxes paid		(184)	–
Net cash outflow from operating activities		(17,742)	(6,079)

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Year ended 31 December 2004

	Notes	2004 HK\$'000	2003 HK\$'000
Net cash outflow from operating activities		(17,742)	(6,079)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividend received from a jointly-controlled entity		–	1,918
Purchases of fixed assets	13	(267)	(1,966)
Proceeds from disposal of fixed assets		360	546
Purchases of investment properties	14	(658)	(5,148)
Proceeds from disposal of investment properties		–	10,873
Cash outflow arising from the reclassification of subsidiaries to long term investments	34(a)(i)	(12,318)	–
Cash inflow from disposal of subsidiaries	34(b)	–	4,460
Decrease in pledged bank deposits		–	5,005
Net cash inflow/(outflow) from investing activities		(12,883)	15,688
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital		–	11,025
Share issue expenses		–	(431)
Advance from a jointly-controlled entity		57,477	7,649
Repayment to a jointly-controlled entity		(34,823)	(12,757)
Advance from a joint venturer		–	14,719
Repayment to a joint venturer		(747)	(10,350)
Advance from the ultimate holding company		36,813	–
Repayment to the ultimate holding company		(17,988)	–
Drawdown of bank loans		–	4,575
Drawdown of other loans		–	20,000
Repayment of bank loans		(9,903)	(9,640)
Repayment of other loans		–	(5,000)
Interest paid		(6,083)	(23,402)
Net cash inflow/(outflow) from financing activities		24,746	(3,612)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(5,879)	5,997
Cash and cash equivalents at beginning of year		7,914	1,917
CASH AND CASH EQUIVALENTS AT END OF YEAR		2,035	7,914
ANALYSIS OF BALANCE OF CASH AND CASH EQUIVALENTS			
Cash and bank balances		2,035	7,914