

CONSOLIDATED CASH FLOW STATEMENT (For the year ended 31st December, 2002)

	1.1.2002 to 31.12.2002 HK\$'000	1.4.2001 to 31.12.2001 HK\$'000
OPERATING ACTIVITIES		
Profit (loss) from operations	134,791	(48,705)
Less: Profit from operations for the period from 1st January, 2002 to 30th June, 2002 (note 2(A)(c))	(138,309)	–
Adjustments for:		
Interest income	(74)	(4,381)
Depreciation of property, plant and equipment	271	29,340
Unrealised gain on trading securities	(606)	–
Dividend income from an unlisted investment	–	(2,332)
Impairment loss of goodwill	–	808
Impairment loss of land and building	–	12,858
Impairment loss of club memberships	–	885
Loss on disposal/write-off of property, plant and equipment	–	1,564
Decrease in properties held for sale	–	4,407
Provision for properties held for sale	–	1,000
Provision against amount due from a jointly controlled entity	–	11,572
Write-back of provision for long service payments	–	(2,929)
Operating cash flows before movements in working capital	(3,927)	4,087
Decrease in inventories	–	17,558
(Increase) decrease in trade and other receivables	(10,986)	828
Increase in amount due from a director	(30)	–
Increase in due from jointly controlled entities	–	(2,263)
Decrease in due to jointly controlled entities	–	(9,168)
Increase (decrease) in trade and other payables	298	(2,453)
Increase in margin loan payable	308	–
Increase in amounts due to related companies	334	–
Decrease in provision for long service payments	–	(3,092)
Exchange realignments	–	(722)
Net cash (used in) generated from operations	(14,003)	4,775
Interest paid	(11)	(424)
Hong Kong profits tax refunded	–	690
Overseas taxes refunded (paid)	3	(8,782)
NET CASH USED IN OPERATING ACTIVITIES	(14,011)	(3,741)

CONSOLIDATED CASH FLOW STATEMENT (For the year ended 31st December, 2002)

	Note	1.1.2002 to 31.12.2002 HK\$'000	1.4.2001 to 31.12.2001 HK\$'000
INVESTING ACTIVITIES			
Interest received		74	4,381
Dividends received from an unlisted investment		–	2,332
Deposits paid for acquisition of subsidiaries		(9,000)	–
Purchase of property, plant and equipment		(1,199)	(48,187)
Proceeds from disposal of property, plant and equipment		–	1,292
Purchase of subsidiaries	31	(467)	(1,733)
Purchase of investments in securities		(4,802)	–
Investment in an associate		(2,000)	–
Increase in pledged bank deposits		–	(30,725)
NET CASH USED IN INVESTING ACTIVITIES		(17,394)	(72,640)
FINANCING ACTIVITIES			
Repayment to immediate holding company		(1,029)	–
New bank loans		–	38,206
Repayment of bank loans		–	(1,750)
NET CASH (USED IN) GENERATED FROM FINANCING ACTIVITIES		(1,029)	36,456
NET DECREASE IN CASH AND CASH EQUIVALENTS		(32,434)	(39,925)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR/PERIOD		128,273	167,853
MOVEMENT FROM 1st JANUARY, 2002 TO 22nd AUGUST, 2002 (Note)		(54,273)	–
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		–	345
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR/PERIOD		41,566	128,273
ANALYSIS OF THE BALANCE OF CASH AND CASH EQUIVALENTS			
Bank balances and cash		41,566	128,273

Note: As explained in note 2(A)(c) to the financial statements, the amount represented the difference between the cash and cash equivalents as at 31st December, 2001 and the cash and cash equivalents per the Completion Accounts.