

# Consolidated Cash Flow Statement

for the year ended 30th June, 2003

	Note	2003 HK\$'000	2002 HK\$'000
<b>Operating activities</b>			
(Loss) / profit from ordinary activities before taxation		<b>(381,333)</b>	143,055
Adjustments for:			
— Interest expense		15,526	4,341
— Interest income		(40,931)	(81,865)
— Depreciation		2,803	905
— Dividends from unlisted investment securities		(4,888)	—
— Bad debts written off / provision		44,566	5,048
— Provisions on property projects		262,500	—
— Share of losses less profits of associates		62,491	7,454
— Loss on disposal of fixed assets		596	9,037
— Profit on disposal of interest in subsidiaries		(99,530)	—
— Loss / (profit) on disposal of interest in associates		<u>78,294</u>	<u>(4,351)</u>
<b>Operating (loss) / profit before changes in working capital</b>		<b>(59,906)</b>	83,624
Increase in properties held for development		(26,933)	(81,299)
Decrease in instalments receivable		60,805	104,931
Increase in properties under development		(43,711)	(24,142)
Decrease in completed properties for sale		66,885	278,817
(Increase) / decrease in debtors, prepayments and deposits		(37,651)	63,584
Increase / (decrease) in creditors and accrued expenses		1,743	(234,630)
(Decrease) / increase in rental and other deposits		(1,233)	6,250
Increase in amounts due to fellow subsidiaries		<u>164,779</u>	<u>60,159</u>
<b>Cash generated from operations</b>		<b>124,778</b>	257,294
Taxation			
— Hong Kong Profits Tax paid		(317)	(709)
— Taxation outside Hong Kong refund		102	—
— Taxation outside Hong Kong paid		(12,419)	(23,868)
— Tax indemnity received		<u>4,231</u>	<u>24,825</u>
<b>Net cash from operating activities</b>		<b><u>116,375</u></b>	<u>257,542</u>

# Consolidated Cash Flow Statement *(cont'd)*

for the year ended 30th June, 2003

	Note	2003 HK\$'000	2002 HK\$'000
<b>Investing activities</b>			
Proceeds from disposal of fixed assets		1,335	3,334
Payment for purchase of fixed assets		(6,421)	(2,859)
Proceeds from disposal of interest in associates		—	4,351
Proceeds from disposal of interest in subsidiaries	(b)	276,373	—
Repayment from associates		18,264	16,978
Repayment of loans receivable		—	88,704
Interest received		8,502	7,489
Dividends received from associates		70,199	32,949
Dividends received from unlisted investment securities		4,888	—
<b>Net cash from investing activities</b>		<b>373,140</b>	<b>150,946</b>
<b>Financing activities</b>			
New bank loans		1,995,478	1,709,473
Repayment of bank loans		(2,066,863)	(1,849,583)
Contribution from minority shareholders		6,860	20,552
Interest paid		(43,918)	(73,803)
Dividends paid		(15,443)	(22,658)
<b>Net cash used in financing activities</b>		<b>(123,886)</b>	<b>(216,019)</b>
<b>Net increase in cash and cash equivalents</b>		<b>365,629</b>	<b>192,469</b>
<b>Cash and cash equivalents at 1st July</b>		<b>393,637</b>	<b>201,168</b>
<b>Cash and cash equivalents at 30th June</b>	(a)	<b>759,266</b>	<b>393,637</b>

## Consolidated Cash Flow Statement (cont'd)

for the year ended 30th June, 2003

## NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

## (a) Analysis of the balances of cash and cash equivalents

	2003 HK\$'000	2002 HK\$'000
Cash at bank and in hand	760,751	394,664
Bank overdrafts	<u>(1,485)</u>	<u>(1,027)</u>
	<u>759,266</u>	<u>393,637</u>

## (b) Disposal of interest in subsidiaries

	2003 HK\$'000	2002 HK\$'000
Net assets of subsidiaries disposed of / net cash inflow arising on disposal:—		
Properties held for development disposed	176,843	—
Profit on disposal	<u>99,530</u>	<u>—</u>
Total cash consideration from disposal	<u>276,373</u>	<u>—</u>