

Consolidated Cash Flow Statement

for the year ended 31 December 2002
(Expressed in Hong Kong dollars)

	Note	2002	2001
Operating activities			
Loss from ordinary activities before taxation		\$ (19,869,266)	\$ (207,881,125)
Adjustments for:			
– Interest income		(898,474)	(1,073,971)
– Dividend income from listed investments		(6,425,520)	–
– Gain on deemed disposal of subsidiaries		(5,506,894)	–
– Consideration for cancellation of investment agreements		(16,301,103)	–
– Provision for amount due from jointly controlled entity		–	19,197,572
– Impairment losses on non-trading investments		35,857,021	125,800,516
– Provision for convertible loan		–	49,382,247
– Loss on disposal of convertible loan and non-trading unlisted investments		328,645	–
– Gain on disposal of non-trading listed investments		(2,714,000)	–
– Share of losses of associates		963,800	–
– Share of profits of jointly-controlled entities		(1,029,042)	(1,000,476)
Operating loss before changes in working capital		\$ (15,594,833)	\$ (15,575,237)
(Increase)/decrease in prepayments and other receivables		(103,122)	186,320
(Decrease)/increase in accounts payable and accruals		(283,467)	488,265
Increase in amount due to associate		31,885	–
Cash used in operations		\$ (15,949,537)	\$ (14,900,652)
Interest received		898,474	1,129,391
Hong Kong profits tax refunded		–	570,395
Net cash used in operating activities		\$ (15,051,063)	\$ (13,200,866)

Consolidated Cash Flow Statement

for the year ended 31 December 2002

(Expressed in Hong Kong dollars)

	Note	2002	2001
Investing activities			
Dividends received from listed investments		\$ 6,425,520	\$ —
Payment for purchase of associates		(74,413,724)	—
Proceeds from sale of convertible loan, net of expenses		47,315,310	—
Proceeds from sale of non-trading unlisted investments, net of expenses		356,045	—
Proceeds from sale of non-trading listed investments, net of expenses		30,314,000	—
Amount repaid by jointly controlled entity		16,301,103	—
Acquisition of non-trading unlisted investments		—	(25,997)
Net cash generated from/(used in) investing activities		\$ 26,298,254	\$ (25,997)
Financing activities			
Exercise of warrants	16	\$ —	\$ 150,797
Net cash from financing activities		\$ —	\$ 150,797
Net increase/(decrease) in cash and cash equivalents		\$ 11,247,191	\$ (13,076,066)
Cash and cash equivalents at 1 January		20,381,864	33,457,930
Cash and cash equivalents at 31 December	14	\$ 31,629,055	\$ 20,381,864

The notes on pages 41 to 65 form part of these financial statements.