

# CONSOLIDATED CASH FLOW STATEMENT

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

	<i>Note</i>	<b>2002</b>	2001
		<b>\$'000</b>	restated \$'000
<b>Operating activities</b>			
Loss from ordinary activities before taxation		<b>(119,101)</b>	(199,318)
Adjustments for:			
- Depreciation		<b>13,077</b>	13,961
- Impairment loss on goodwill		<b>30,000</b>	—
- Finance costs		<b>1,253</b>	5,486
- Dividend income from listed investments		<b>(40,696)</b>	(6,656)
- Interest income		<b>(10,577)</b>	(35,877)
- Share of profits less losses of associates		<b>1,792</b>	(405)
- Share of losses of jointly controlled entities		—	6,427
- Deficit on revaluation of land and buildings		<b>15,038</b>	16,058
- Deficit on revaluation of investment properties		—	400
- (Write back of provision)/provision for diminution in value of and non-recoverable amounts due from associates		<b>(306)</b>	1,707
- Provision for diminution in value of and non-recoverable amounts due from jointly controlled entities		—	2,907
- Impairment loss on fixed assets		—	198
- Net loss on disposal of fixed assets		<b>56</b>	2,409
- Net realised and unrealised loss on investments in securities		<b>90,057</b>	174,797
Foreign exchange gain		<b>(279)</b>	(695)
<b>Operating loss before changes in working capital</b>		<b>(19,686)</b>	(18,601)
Decrease in inventories		<b>84</b>	134
Decrease in trade and other receivables		<b>1,203</b>	52,758
Decrease in trade and other payables		<b>(2,606)</b>	(25,754)
<b>Cash (used in)/generated from operations carried forward</b>		<b>(21,005)</b>	8,537

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	<i>Note</i>	<b>2002</b>	2001 restated
		<b>\$'000</b>	<b>\$'000</b>
<b>Cash (used in)/generated from operations brought forward</b>		<b>(21,005)</b>	8,537
Interest received		<b>10,487</b>	50,866
Dividends received from listed investments		<b>40,696</b>	6,656
Tax paid			
- Hong Kong Profits Tax paid		<b>(1)</b>	—
- Overseas tax paid		<b>(275)</b>	(249)
<b>Net cash from operating activities</b>		<b>29,902</b>	65,810
<b>Investing activities</b>			
Payment for purchase of fixed assets		<b>(684)</b>	(4,616)
Payment for purchase of investments in securities		<b>(30,692)</b>	(105,635)
Deposits paid in respect of acquisitions of securities and associates		<b>(29,564)</b>	(34,154)
Payment for purchase of associates		<b>(2,966)</b>	—
Loans repaid by associates		<b>3,340</b>	3,412
New loans to jointly controlled entities		<b>—</b>	(9,326)
Proceeds from sales of fixed assets		<b>78</b>	47
Proceeds from sale of investments in securities		<b>1,928</b>	72
Dividends received from associates		<b>—</b>	262
Decrease in pledged deposits		<b>—</b>	61,773
<b>Net cash used in investing activities</b>		<b>(58,560)</b>	(88,165)
<b>Financing activities</b>			
Redemption of debentures		<b>(6,196)</b>	(2,370)
Redemption of convertible bonds		<b>—</b>	(167,046)
Repayment of bank loans and overdrafts		<b>(6)</b>	(3,543)
Other borrowing costs paid		<b>(1,388)</b>	(6,931)
<b>Net cash used in financing activities</b>		<b>(7,590)</b>	(179,890)
<b>Net decrease in cash and cash equivalents</b>		<b>(36,248)</b>	(202,245)
<b>Cash and cash equivalents at 1 January</b>		<b>609,736</b>	810,434
<b>Effect of foreign exchange rates changes</b>		<b>88</b>	1,547
<b>Cash and cash equivalents at 31 December</b>	20	<b>573,576</b>	609,736

The notes on pages 27 to 63 form part of these financial statements.