

Consolidated Cash Flow Statement

For the Year Ended 31 December 2002

	2002 HK\$'000	2001 HK\$'000
OPERATING ACTIVITIES		
Loss from operations	(582,355)	(678,024)
Adjustments for:		
Interest income	(1,910)	(3,868)
Depreciation and amortisation of property, plant and equipment	4,049	4,345
Impairment loss recognised in respect of property, plant and equipment	6,562	—
Gain on disposal of other listed investments	(8,091)	(5,292)
Loss on disposal of other non-current assets	200	—
Loss on disposal of property, plant and equipment	822	1,509
Net realised and unrealised losses on investments	325,696	213,281
Impairment loss recognised in respect of other investments	86,629	22,851
Revaluation decrease of investment properties	270	2,200
Revaluation decrease of leasehold land and buildings	48	713
Allowance for bad debts	13,180	16,855
Write back of:		
– provision for litigation costs	(7,459)	—
– allowance for bad debts	(10,000)	—
– long outstanding payables	(5,166)	—
Operating cash flow before movements in working capital	(177,525)	(425,430)
Decrease in inventories	2,596	7,723
Decrease in investments in securities	87,225	911,753
Decrease (increase) in debtors, deposits and prepayments	51,990	(29,692)
Increase in loan receivable	(5,000)	—
Decrease in creditors and accrued charges	(65,579)	(11,758)
(Decrease) increase in customers' deposits and receipts in advance	(44,556)	59,814
Increase in amount due to a jointly controlled entity	1,200	—
Cash (used in) from operating activities	(149,649)	512,410
Hong Kong Profits Tax paid	(14)	—
Interest paid	(603)	(226)
Dividend paid	—	(46,432)
NET CASH (USED IN) FROM OPERATING ACTIVITIES	(150,266)	465,752

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For the Year Ended 31 December 2002

	2002 HK\$'000	2001 HK\$'000
INVESTING ACTIVITIES		
Interest received	1,910	3,868
Purchase of additional interest in a subsidiary	(2,250)	—
Purchase of interest in an associate	(1,007)	—
Purchase of interest in a jointly controlled entity	—	(2,215)
Purchase of investments in securities	(24,175)	(50,834)
Purchase of property, plant and equipment	(1,295)	(4,617)
Proceeds from disposal of other non-current assets	810	167
Increase in pledged bank deposits	(7,567)	—
Proceeds from disposal of other investments	12,991	30,698
Net proceeds from disposal of an associate	37,494	—
Proceeds from disposal of property, plant and equipment	388	1,062
NET CASH FROM (USED IN) INVESTING ACTIVITIES	17,299	(21,871)
FINANCING ACTIVITIES		
New bank loans raised	512,882	1,606,126
Repayment of bank loans	(512,882)	(1,878,779)
NET CASH USED IN FINANCING	—	(272,653)
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(132,967)	171,228
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	214,503	43,275
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank balances and cash	81,536	214,503