

CASH FLOW STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2001

	2001	2000
	US\$	US\$
Operating activities		
Dividend and interest income received	157,999	73,558
Management fees and operating expenses paid	(229,516)	(326,228)
	<u> </u>	<u> </u>
Net cash outflow from operating activities (Note A)	(71,517)	(252,670)
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Taxation		
Overseas withholding tax paid	(27,529)	(56,470)
	<u> </u>	<u> </u>
Investing activities		
Purchase of securities	(2,729,184)	(1,616,250)
Sale of securities	2,249,469	2,271,786
	<u> </u>	<u> </u>
Net cash (outflow)/inflow from investing activities	(479,715)	655,536
	<u> </u>	<u> </u>
Net cash (outflow)/inflow	(578,761)	346,396
Exchange difference	(23,947)	(38,556)
Cash and cash equivalents at January 1	870,480	562,640
	<u> </u>	<u> </u>
Cash and cash equivalents at December 31	<u>267,772</u>	<u>870,480</u>

Note A:

Reconciliation of loss before taxation to net cash outflow from operating activities:

Loss before taxation	(831,718)	(731,141)
Realised loss on disposal of investment	758,954	583,384
Realised gain on disposal of short term notes	—	(87,288)
Decrease/(increase) in other receivables	2,277	(2,163)
Decrease in other payables	(1,030)	(15,462)
	<u> </u>	<u> </u>
	<u>(71,517)</u>	<u>(252,670)</u>