

Consolidated Cash Flow Statement

for the year ended 31 December 2003
(Expressed in Hong Kong dollars)

	Note	2003	2002
Operating activities			
Profit/(loss) from ordinary activities before taxation		\$ 8,375,261	\$ (19,869,266)
Adjustments for:			
– Interest income		(291,901)	(898,474)
– Dividend income from listed investments		(2,140,950)	(6,425,520)
– Gain on disposal of interest in jointly controlled entity		(2,064,532)	–
– Write-back of amount due from jointly controlled entity		(1,528,897)	–
– Gain on deemed disposal of subsidiaries		–	(5,506,894)
– Consideration for cancellation of investment agreements		–	(16,301,103)
– (Write-back of)/provision for impairment losses on non-trading investments		(16,240,360)	35,857,021
– Loss on disposal of convertible loan and non-trading unlisted investments		–	328,645
– Gain on disposal of non-trading listed investments		(6,013,708)	(2,714,000)
– Share of losses of associates		13,810,728	963,800
– Share of profits of jointly controlled entities		(1,754,967)	(1,029,042)
Operating loss before changes in working capital		\$ (7,849,326)	\$ (15,594,833)
Increase in prepayments and other receivables		(1,339,380)	(103,122)
Decrease in accounts payable and accruals		(397,826)	(283,467)
(Decrease)/increase in amount due to associate		(23,857)	31,885
Net cash used in operating activities		\$ (9,610,389)	\$ (15,949,537)

Consolidated Cash Flow Statement

for the year ended 31 December 2003
(Expressed in Hong Kong dollars)

	Note	2003	2002
Investing activities			
Interest received		\$ 303,307	\$ 898,474
Dividends received from listed investments		2,140,950	6,425,520
Payment for purchase of associates		–	(74,413,724)
Proceeds from sale of interest in jointly controlled entity, net of expenses		2,064,532	–
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		21,413,708	30,314,000
Amount repaid by jointly controlled entity		1,528,897	16,301,103
Payment for investment deposit		(35,000,000)	–
Net cash (used in)/generated from investing activities		\$ (7,548,606)	\$ 27,196,728
Financing activities			
Exercise of warrants		\$ 449	\$ –
Net cash from financing activities		\$ 449	\$ –
Net (decrease)/increase in cash and cash equivalents		\$ (17,158,546)	\$ 11,247,191
Cash and cash equivalents at 1 January		31,629,055	20,381,864
Cash and cash equivalents at 31 December	14	\$ 14,470,509	\$ 31,629,055

The notes on pages 44 to 77 form part of these financial statements.