

**CASH FLOW STATEMENT** (For the six months ended 30 June 2003)

	Six months ended 30 June	
	2003	2002
	(unaudited)	(unaudited)
	US\$	US\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before tax .....	(209,635)	(163,454)
Adjustments for:		
Realised losses from sales of listed securities .....	–	5,130
Operating loss before working capital changes .....	(209,635)	(158,324)
Receipts from sales of securities .....	–	450,205
Receipts from repayment of debt securities .....	525,709	323,593
Decrease in prepayments and other receivables .....	9,784	38,429
Increase in creditors and accrued charges .....	33,840	63,063
Increase in deposits received on disposal of non-trading securities .....	819,618	–
Decrease in provision for winding-up costs .....	(17,161)	(48,003)
Cash generated from operations .....	1,162,155	668,963
Hong Kong profits tax refunded .....	–	90,980
<b>Net cash inflow from operating activities .....</b>	<b>1,162,155</b>	<b>759,943</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Purchase of own shares .....	–	(383)
Dividend payable .....	–	(487,516)
<b>Net cash outflow from financing activities .....</b>	<b>–</b>	<b>(487,899)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS .....</b>	<b>1,162,155</b>	<b>272,044</b>
Cash and cash equivalents as at 1 January .....	1,968,894	359,786
<b>Cash and cash equivalents as at 30 June .....</b>	<b>3,131,049</b>	<b>631,830</b>
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>		
Short term cash deposit .....	2,900,000	500,000
Cash at banks .....	231,049	131,830
	<b>3,131,049</b>	<b>631,830</b>