

# Cash Flow Statement

For the year ended 31 December 2002

	1.1.2002 to 31.12.2002 <i>HK\$</i>	14.9.2001 to 31.12.2001 <i>HK\$</i>
<b>OPERATING ACTIVITIES</b>		
Loss before taxation	(1,258,317)	(280,000)
Adjustments for:		
Net unrealised gains on investments in securities	(3,624,516)	–
Bank interest income	(173,896)	–
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Operating cash flows before movements in working capital	(5,056,729)	(280,000)
Decrease (increase) in debtors, prepayments and deposits	402,787	(710,304)
Decrease (increase) in amount due from a shareholder	579,785	(579,785)
Increase in investments in securities	(84,562,381)	–
Increase in creditors and accrued charges	222,221	280,000
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<b>NET CASH USED IN OPERATING ACTIVITIES</b>	(88,414,317)	(1,290,089)
<b>CASH FROM INVESTING ACTIVITIES</b>		
Interest received	173,896	–
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<b>FINANCING ACTIVITIES</b>		
Net proceeds from issue of new shares	94,171,636	2,000,000
Dividends paid	(5,150,000)	–
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<b>NET CASH FROM FINANCING ACTIVITIES</b>	89,021,636	2,000,000
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	781,215	709,911
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR/PERIOD</b>	709,911	–
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<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR/PERIOD</b>	1,491,126	709,911
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<b>ANALYSIS OF THE BALANCE OF CASH AND CASH EQUIVALENTS</b>		
Bank balances and cash	1,491,126	709,911
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