

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st December 2003

	2003 HK\$	2002 HK\$
Operating activities		
Loss before taxation	(1,386,612)	(39,815,622)
Adjustments for:		
Depreciation on property, plant and equipment	98,891	15,599
Net unrealised holding (gain)/loss on investments in securities	(13,334,365)	35,616,574
Interest expenses	130,468	148,216
Interest income	(550,603)	(190,539)
Dividend income from investments in securities	(1,087,068)	(1,885,164)
Operating cash flows before movements in working capital	(16,129,289)	(6,110,936)
Decrease/(increase) investments in debt securities/securities	11,141,884	(179,220,724)
Decrease/(increase) in deposit and prepayment	246,784	(268,743)
(Decrease)/increase in other payables and accrued expenses	(88,779)	750,176
Net cash used in operations	(4,829,400)	(184,850,227)
Interest paid	(130,468)	(148,216)
Net cash used in operating activities	(4,959,868)	(184,998,443)
Investing activities		
Interest received	378,000	190,539
Dividend received from investments in securities	1,449,570	1,371,096
Purchase of property, plant and equipment	(405,386)	(93,230)
Net cash from investing activities	1,422,184	1,468,405
Financing activities		
Share capital issued	–	190,600,000
Share issue expenses	–	(7,268,010)
Repurchase of shares	(1,358,577)	–
Increase in borrowings	5,142,164	226,535
Net cash from financing activities	3,783,587	183,558,525
Net increase in cash and cash equivalents	245,903	28,487
Cash and cash equivalents at beginning of the year	28,487	–
Cash and cash equivalents at end of the year	274,390	28,487
Analysis of the balances of cash and cash equivalents		
Cash and bank balances	274,390	28,487