

Cash Flow Statement

For the year ended 31st March 2004

	Year ended 31st March 2004 HKD	Period from 26th July 2002 to 31st March 2003 HKD
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	17,306,560	(319,784)
Adjustments for:		
Interest income	(142,193)	(27,243)
Depreciation	35,885	3,460
Interest on bank overdraft	57	–
Loss on disposal of plant and equipment	13,358	–
Net gain on disposal of other investments	(17,108,479)	–
Net unrealised holding gain on other investments	(3,418,975)	–
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Operating loss before working capital changes	(3,313,787)	(343,567)
Increase in prepayments and other receivables	(78,136)	(30,615)
Increase in accrued charges	1,571,969	117,749
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Cash used in operations	(1,819,954)	(256,433)
Interest paid	(57)	–
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Net cash used in operating activities	(1,820,011)	(256,433)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of plant and equipment	–	(75,220)
Purchases of investments in securities	(302,383,084)	–
Proceeds from disposal of investments in securities	300,104,978	–
Deposit for an unlisted equity investment	(778,000)	–
Interest received	142,193	27,243
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Net cash used in investing activities	(2,913,913)	(47,977)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	–	50,000,000
Share issue expenses	–	(3,406,892)
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Net cash generated from financing activities	–	46,593,108
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(4,733,924)	46,288,698
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR/PERIOD	46,288,698	–
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CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR/PERIOD	41,554,774	46,288,698
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ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances	41,554,774	46,288,698

The notes on pages 21 to 39 form an integral part of these financial statements.

