



## CASH FLOW STATEMENT

For the year ended 31 December 2005

	2005 HK\$	2004 HK\$
<b>Cash flows for operating activities</b>		
Loss before income tax	(897,386)	(606,511)
Adjustments for:		
Net realised gains on disposals of investments in securities	–	(1,268,252)
Net unrealised losses on investments in securities	–	(625,461)
Bank interest income	(622,704)	(18,769)
Operating loss before working capital changes	(1,520,090)	(2,518,993)
Increase in investment in securities	–	(1,941,236)
Decrease in financial assets at fair value through profit or loss	2,752,105	–
Decrease/(Increase) in other receivables, prepayments and deposits	6,675,204	(6,789,359)
Increase in other payables and accrued charges	611,248	11,000
Cash generated from/(used in) operations	8,518,467	(11,238,588)
Bank interest income received	622,704	18,769
Hong Kong income tax paid	(423,123)	–
<i>Net cash generated from/(used in) operating activities</i>	<b>8,718,048</b>	(11,219,819)
<b>Cash flows from investing activities</b>		
Deposit paid	(3,000,001)	–
Proceeds from sales of available-for-sale financial assets	2,500,000	–
<i>Net cash used in investing activities</i>	<b>(500,001)</b>	–
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	2,678,000	–
<i>Net cash generated from financing activities</i>	<b>2,678,000</b>	–
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>10,896,047</b>	(11,219,819)
<b>Cash and cash equivalents at beginning of year</b>	<b>14,996,125</b>	26,215,944
<b>Cash and cash equivalents at end of year</b>	<b>25,892,172</b>	14,996,125
<b>Analysis of the balance of cash and cash equivalents</b>		
Bank balances and cash	<b>25,892,172</b>	14,996,125