



CONSOLIDATED CASH FLOW STATEMENT

For the Year Ended 31st December, 2000

	2000 HK\$'000	1999 HK\$'000
NET CASH OUTFLOW FROM OPERATING ACTIVITIES (<i>note a</i>)	<u>(3,680)</u>	<u>(3,853)</u>
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest paid	(4,557)	(4,824)
Interest received	<u>1,357</u>	<u>1,539</u>
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	<u>(3,200)</u>	<u>(3,285)</u>
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(3,280)	(1,019)
Purchase of investments in securities	(129)	—
Decrease (increase) in pledged bank deposits	463	(2,903)
Proceeds from disposal of investments in securities	128	—
Proceeds from disposal of property, plant and equipment	<u>18</u>	<u>—</u>
NET CASH OUTFLOW FROM INVESTING ACTIVITIES	<u>(2,800)</u>	<u>(3,922)</u>
NET CASH OUTFLOW BEFORE FINANCING	<u>(9,680)</u>	<u>(11,060)</u>
FINANCING (<i>note b</i>)		
Issue of new shares	24,000	—
Repayment of secured bank loans	<u>(6,500)</u>	<u>(6,500)</u>
NET CASH INFLOW (OUTFLOW) FROM FINANCING	<u>17,500</u>	<u>(6,500)</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	7,820	(17,560)
CASH AND CASH EQUIVALENTS AT 1ST JANUARY	16,021	33,586
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	<u>41</u>	<u>(5)</u>
CASH AND CASH EQUIVALENTS AT 31ST DECEMBER	<u><u>23,882</u></u>	<u><u>16,021</u></u>



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For the Year Ended 31st December, 2000

	2000 HK\$'000	1999 HK\$'000
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	24,070	16,021
Bank overdraft	(188)	—
	<u>23,882</u>	<u>16,021</u>

Notes:

(a) Reconciliation of net loss for the year to net cash outflow from operating activities:

	2000 HK\$'000	1999 HK\$'000
Net loss for the year	(14,218)	(61,921)
Depreciation	2,232	2,583
Interest income	(1,357)	(1,565)
Interest expenses	4,557	4,738
Revaluation deficit on investment properties	4,805	3,300
Provision for irrecoverable investment in a property development project	—	44,865
(Gain) loss on disposal of property, plant and equipment	(12)	23
Loss on disposal of other investments	112	—
Unrealised holding losses on other investments	56	101
Decrease in properties held for sale	—	3,281
Decrease in inventories	154	374
(Increase) decrease in trade and other receivables	(2,339)	832
Increase (decrease) in trade and other payables	572	(464)
Increase in bills payable	1,758	—
Net cash outflow from operating activities	<u>(3,680)</u>	<u>(3,853)</u>



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For the Year Ended 31st December, 2000

Notes: (Continued)

(b) Analysis of changes in financing during the year:

	Secured bank loans HK\$'000	Share capital and share premium HK\$'000
Balance at 1st January, 1999	55,250	408,992
Repayment during the year	(6,500)	—
Balance at 31st December, 1999	48,750	408,992
Repayment during the year	(6,500)	—
Issue of new shares	—	24,000
Balance at 31st December, 2000	<u>42,250</u>	<u>432,992</u>