

CONSOLIDATED CASH FLOW STATEMENT
For the year ended 31st March, 2001



	2001		2000
	HK\$'000	HK\$'000	HK\$'000
Net cash inflow from operating activities (Note a)		174,230	493,963
Returns on investments and servicing of finance			
Interest received	32,711		41,366
Interest paid	(665)		(8,477)
Dividend income from an associated company	11,103		13,164
Dividends paid	<u>(77,185)</u>		<u>(877,564)</u>
Net cash outflow from returns on investments and servicing of finance		(34,036)	(831,511)
Taxation			
Hong Kong profits tax refunded/(paid) (net)	1,004		(4,810)
Overseas tax paid (net)	<u>(8,572)</u>		<u>(6,804)</u>
Tax paid (net)		(7,568)	(11,614)
Investing activities			
Net receipts from acquisition of a subsidiary company (net of cash and cash equivalents acquired) (Notes b & c)	—		482
Net (payments)/proceeds from disposal of subsidiary companies (net of cash and cash equivalents disposed of) (Notes d & e)	(42,182)		372,412
Payments for purchase of fixed assets	(138,575)		(58,818)
Proceeds from sale of fixed assets	2,279		6,160
Payments to acquire non-current assets	—		(1,046)
Payments in respect of website/portal and related technology development activities	<u>(174,500)</u>		<u>—</u>
Net cash (outflow)/inflow from investing activities		(352,978)	<u>319,190</u>
Net cash outflow before financing		(220,352)	(29,972)
Financing			
Consideration and expenses paid in respect of shares repurchased	(22,927)		(70,300)
Repayment of bank loans	(22,434)		(159,780)
Proceeds from issue of convertible bonds	<u>—</u>		<u>44,896</u>
Net cash outflow from financing (Note f)		(45,361)	<u>(185,184)</u>



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	2001		2000	
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Decrease in cash and cash equivalents		(265,713)		(215,156)
Cash and cash equivalents at 1st April, 2000		692,752		906,872
Effect of foreign exchange rate changes		<u>(1,894)</u>		<u>1,036</u>
 Cash and cash equivalents at 31st March, 2001		 <u>425,145</u>		 <u>692,752</u>
 Analysis of the balances of cash and cash equivalents				
Cash and bank balances		437,410		703,825
Bank loans and overdrafts		<u>(12,265)</u>		<u>(11,073)</u>
		 <u>425,145</u>		 <u>692,752</u>

Notes :-

a. Reconciliation of operating profit to net cash inflow from operating activities

	2001		2000	
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Operating profit after finance costs and share of profits less losses of associated companies		88,085		186,384
Share of profits less losses of associated companies		(9,367)		(7,494)
Interest income (net)		(32,031)		(32,459)
Depreciation		62,746		128,104
Loss on disposal of fixed assets		3,404		30,571
(Increase)/decrease in stocks		(6,867)		255,448
Decrease/(increase) in bills receivable		1,134		(1,628)
Decrease in debtors, deposits and prepayments		32,715		43,854
Decrease/(increase) in other investments		253,494		(268,699)
Increase/(decrease) in bills payable		5,861		(1,483)
(Decrease)/increase in creditors and accruals		(195,808)		135,002
(Increase)/decrease in amounts due from associated companies (net)		(17,633)		2,657
Exchange adjustments		<u>(11,503)</u>		<u>23,706</u>
 Net cash inflow from operating activities		 <u>174,230</u>		 <u>493,963</u>

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For the year ended 31st March, 2001



b. Purchase of a subsidiary company

	2001	2000
	<i>HK\$'000</i>	<i>HK\$'000</i>
Net assets acquired		
Fixed assets	—	10
Stocks	—	3,241
Debtors, deposits and prepayments	—	2,963
Cash and bank balances	—	1,982
Bank loan	—	(7,063)
Creditors and accruals	—	(1,706)
	<u>—</u>	<u>(1,706)</u>
	—	(573)
Goodwill	—	2,073
	<u>—</u>	<u>1,500</u>
Satisfied by		
Cash	—	1,500
	<u>—</u>	<u>1,500</u>

c. Analysis of net inflow of cash and cash equivalents in respect of the purchase of a subsidiary company

	2001	2000
	<i>HK\$'000</i>	<i>HK\$'000</i>
Cash at bank and in hand acquired	—	1,982
Cash consideration	—	(1,500)
	<u>—</u>	<u>(1,500)</u>
Net inflow of cash and cash equivalents in respect of the purchase of a subsidiary company	<u>—</u>	<u>482</u>

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For the year ended 31st March, 2001

d. Disposal of subsidiary companies

	2001	2000
	<i>HK\$'000</i>	<i>HK\$'000</i>
Share of net assets disposed of		
Fixed assets	1,200	890,120
Associated company	—	6,157
Listed investments	—	16,055
Non-current assets	—	45,940
Current assets		
Stocks	135,924	382,412
Debtors, deposits and prepayments	17,564	224,285
Bills receivable	—	23,362
Tax recoverable	—	25,381
Cash and bank balances	83,912	127,862
Current liabilities		
Creditors and accruals	(135,895)	(406,736)
Bills payable	—	(13,680)
Bank overdrafts	—	(75,413)
Bank loans	—	(4,834)
Taxation	(7,062)	(93,842)
Deferred liability	—	(35,266)
Convertible bonds	—	(44,896)
Minority interests	(33,471)	(336,002)
	62,172	730,905
Less: Remaining share of net assets held by the Group as associated companies	(46,860)	—
	15,312	730,905
Realisation of capital reserve on disposal	—	(6,103)
Realisation of goodwill on disposal	—	325,725
Profit on disposal	26,418	320,011
	41,730	1,370,538
Satisfied by		
Set off against special cash dividend	—	945,677
Cash	41,730	424,861
	41,730	1,370,538

The subsidiary companies disposed of during the year contributed HK\$16,058,000 to the Group's net cash inflow from operating activities, received HK\$2,500,000 in respect of net returns on investments and servicing of finance, paid HK\$1,976,000 taxation and utilised HK\$129,000 in respect of investing activities.

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For the year ended 31st March, 2001



e. Analysis of net (outflow)/inflow of cash and cash equivalents in respect of the disposal of subsidiary companies

	2001 <i>HK\$'000</i>	2000 <i>HK\$'000</i>
Cash proceeds	41,730	424,861
Cash at bank and in hand disposed of	(83,912)	(127,862)
Bank overdrafts disposed of	—	75,413
	<u> </u>	<u> </u>
Net (outflow)/inflow of cash and cash equivalents in respect of the disposal of subsidiary companies	<u>(42,182)</u>	<u>372,412</u>

f. Analysis of changes in financing during the year

	2001	
	Share capital <i>HK\$'000</i>	Bank loans <i>HK\$'000</i>
Balance at 1st April, 2000	77,906	28,504
Consideration and expenses paid in respect of shares repurchased	(22,927)	—
Less: amount charged to retained profits	21,958	—
Repayment of bank loans	—	(22,434)
Exchange adjustment	—	(2,632)
	<u> </u>	<u> </u>
Balance at 31st March, 2001	<u>76,937</u>	<u>3,438</u>

	2000		
	Share capital <i>HK\$'000</i>	Bank loans <i>HK\$'000</i>	Convertible bonds <i>HK\$'000</i>
Balance at 1st April, 1999	80,437	177,430	—
Consideration and expenses paid in respect of shares repurchased	(70,300)	—	—
Less: amount charged to retained profits	67,769	—	—
Proceeds from issue of convertible bonds	—	—	44,896
Acquisition of a subsidiary company	—	7,063	—
Repayment of bank loans	—	(159,780)	—
Disposal of subsidiary companies	—	(4,834)	(44,896)
Exchange adjustment	—	8,625	—
	<u> </u>	<u> </u>	<u> </u>
Balance at 31st March, 2000	<u>77,906</u>	<u>28,504</u>	<u>—</u>