

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st March, 2001

(Expressed in Hong Kong dollars)

		2001		2000	
	Note	\$'000	\$'000	\$'000	\$'000
Net cash inflow from operating activities	(a)		43,969		132,396
Returns on investments and servicing of finance					
Interest received		1,736		1,103	
Interest paid		(23,935)		(23,461)	
Dividends from associates		3,713		10,161	
Dividend income from unlisted equity securities		342		307	
Dividends paid		(18,342)		(11,296)	
Net cash outflow from returns on investments and servicing of finance			(36,486)		(23,186)
Taxation					
Hong Kong profits tax paid, net of refund		(1,859)		(570)	
Overseas tax paid, net of refund		(98)		51	
Tax paid			(1,957)		(519)
Investing activities					
Payments for purchase of fixed assets		(45,785)		(10,490)	
Proceeds from sales of fixed assets		1,881		723	
Payments for construction in progress		–		(2,971)	
Purchase of permanent quota		(163)		(2,165)	
Proceeds from sales of non-trading securities		120		2,534	
Purchase of other investments		–		(776)	
Net cash outflow from excluding subsidiaries under liquidation		–		(4,516)	
Withdrawal/(placement) of deposits with banks		11,966		(12,000)	
Net cash outflow from investing activities			(31,981)		(29,661)
Net cash (outflow)/inflow before financing			(26,455)		79,030
Financing					
Repayment of bank loans	(b)	(84,676)		(36,844)	
New bank loans	(b)	33,002		15,000	
Nominal value of shares repurchased	(b)	(235)		(43)	
Premium paid on repurchase of shares		(354)		(47)	
Net cash outflow from financing			(52,263)		(21,934)
(Decrease)/increase in cash and cash equivalents			(78,718)		57,096
Cash and cash equivalents at 1st April			86,213		29,154
Effect of foreign exchange rate changes			–		(37)
Cash and cash equivalents at 31st March			7,495		86,213

Consolidated Cash Flow Statement *(Continued)*

For the year ended 31st March, 2001

(Expressed in Hong Kong dollars)

	2001 \$'000	2000 \$'000
Analysis of the balances of cash and cash equivalents		
Cash at bank and in hand	28,977	52,760
Deposits with banks maturing within three months of the balance sheet date	–	33,453
Bank loans and overdrafts repayable within three months from the date of the advance	(21,482)	–
	<u>7,495</u>	<u>86,213</u>

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

(a) Reconciliation of profit from ordinary activities to net cash inflow from operating activities

	2001 \$'000	2000 \$'000
Profit from ordinary activities before share of profits less losses of associates	43,853	25,995
Depreciation	28,333	21,230
Decline in carrying value of land and building	6,377	–
Loss on disposal of fixed assets	347	929
Amortisation of borrowing cost	333	333
Net realised losses/(gains) on disposal of non-trading securities	110	(332)
Amortisation of permanent quota	1,669	–
Provision for diminution in value of non-trading securities	–	3,396
(Increase)/decrease in inventories	(17,468)	31,330
(Increase)/decrease in debtors, deposits and prepayments	(41,213)	3,411
Increase in bills receivable	(16,620)	(15,733)
(Increase)/decrease in amounts due from related companies	(463)	2,284
Decrease in amounts due from associates	5,875	30,655
(Decrease)/increase in bills payable and trust receipt loans	(8,463)	32,655
Increase/(decrease) in creditors and accrued charges	21,735	(28,413)
(Decrease)/increase in amounts due to related companies	(283)	6,384
Decrease in amounts due to associates	(2,708)	(8,632)
Provision for long service payments	12	271
Long services payments made	(1,020)	(112)
Write-off of cost of investment in subsidiaries under liquidation, net	–	4,935
Interest expenses	23,935	23,461
Interest income	(1,736)	(1,103)
Dividend income from unlisted equity securities	(342)	(307)
Foreign exchange	1,706	(241)
	<u>43,969</u>	<u>132,396</u>
Net cash inflow from operating activities	<u>43,969</u>	<u>132,396</u>

Consolidated Cash Flow Statement *(Continued)*

For the year ended 31st March, 2001

(Expressed in Hong Kong dollars)

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT *(Continued)*

(b) Analysis of changes in financing during the year

	Share capital and share premium \$'000	Bank loans \$'000	Loans from a company controlled by certain directors \$'000	Total \$'000
Balance at 1st April, 1999	84,335	125,918	18,522	228,775
New bank loans	–	15,000	–	15,000
Repayment of bank loans	–	(36,844)	–	(36,844)
Effect of foreign exchange rates	–	–	(883)	(883)
Repurchase of shares	(90)	–	–	(90)
Balance at 31st March, 2000	<u>84,245</u>	<u>104,074</u>	<u>17,639</u>	<u>205,958</u>
Balance at 1st April, 2000	84,245	104,074	17,639	205,958
New bank loans	–	33,002	–	33,002
Repayment of bank loans	–	(84,676)	–	(84,676)
Repurchase of shares	(235)	–	–	(235)
Reversal of premium on repurchase of shares in 2000 charged to share premium account	47	–	–	47
Balance at 31st March, 2001	<u>84,057</u>	<u>52,400</u>	<u>17,639</u>	<u>154,096</u>