

Consolidated Cash Flow Statement

For the year ended 31st March, 2001

	<i>NOTES</i>	2001 HK\$	2000 <i>HK\$</i>
Net cash outflow from operating activities	25	(8,726,745)	(14,734,447)
Returns on investments and servicing of finance			
Interest paid		(2,916,986)	(2,968,230)
Interest received		197,978	43,725
Net cash outflow from returns on investments and servicing of finance		(2,719,008)	(2,924,505)
Taxation			
Mainland China tax paid		(12,000)	–
Hong Kong Profits Tax paid		–	(120,352)
Cash outflow from taxation		(12,000)	(120,352)
Investing activities			
Purchase of property, plant and equipment		(1,103,674)	(1,745,735)
Acquisition of the Cutters Business (net of cash and cash equivalents acquired)	26	52,000	–
Decrease (increase) in pledged bank deposits		7,597,418	(8,000,000)
Net cash inflow (outflow) from investing activities		6,545,744	(9,745,735)
Net cash outflow before financing		(4,912,009)	(27,525,039)
Financing	27		
(Outgoings) proceeds from issue of new shares, net of expenses		(3,089,669)	30,218,050
Borrowings raised		8,548,600	1,781,495
Repayment of borrowings		(1,922,369)	(2,201,004)
Net cash inflow from financing		3,536,562	29,798,541
(Decrease) increase in cash and cash equivalents		(1,375,447)	2,273,502
Effect of foreign exchange rate changes		391	–
Cash and cash equivalents at beginning of the year		2,958,164	684,662
Cash and cash equivalents at end of the year	28	1,583,108	2,958,164