

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

Six months ended
30 June 2001
Unaudited
HK\$'000

NET CASH OUTFLOW FROM OPERATING ACTIVITIES	<u>(29,091)</u>
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	
Interest received	727
Interest paid	(1,818)
Interest paid on obligations under finance leases and hire purchase contracts	<u>(3,215)</u>
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	<u>(4,306)</u>
TAXATION	
Hong Kong profits tax refund	21
Overseas tax paid	<u>(408)</u>
TAX PAID	<u>(387)</u>
INVESTING ACTIVITIES	
Purchase of property, plant and equipment	(5,830)
Proceeds from disposal of property, plant and equipment	802
Purchase of technical know-how	(2,533)
Purchase of a business	<u>(9,638)</u>
NET CASH OUTFLOW FROM INVESTING ACTIVITIES	<u>(17,199)</u>
NET CASH OUTFLOW BEFORE FINANCING	<u>(50,983)</u>

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

(Continued)

	Six months ended 30 June 2001 Unaudited HK\$'000
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FINANCING	
Payment in respect of issue of a convertible bond	(14,968)
New bank loan raised	15,000
Repayment of bank loans	(361)
Proceeds from sale and lease back transactions entered	8,960
Repayment of obligations under finance leases and hire purchases contracts	(22,447)
Capital contribution by minority shareholder	4,706
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NET CASH OUTFLOW FROM FINANCING	(9,110)
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DECREASE IN CASH AND CASH EQUIVALENTS	(60,093)
CASH AND CASH EQUIVALENTS AT 1 JANUARY 2001	10,926
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	(2)
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CASH AND CASH EQUIVALENTS AT 30 JUNE 2001	(49,169)
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ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS	
Bank balances and cash	10,438
Time deposits with banks with maturity less than three months	15,835
Short term bank loan	(10,000)
Bank overdrafts	(29,054)
Bank import and export loans	(36,388)
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	(49,169)
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