

Consolidated Cash Flow Statement

Year ended 31 May 2001

| | <i>Notes</i> | 2001 HK\$'000 | 2000 <i>HK\$'000</i> |
|---|--------------|--------------------------------|-------------------------|
| NET CASH INFLOW FROM OPERATING ACTIVITIES | 24(a) | 55,323 | 3,606 |
| RETURNS ON INVESTMENTS AND SERVICING OF FINANCE | | | |
| Interest received | | 1,120 | 860 |
| Interest paid | | (10,509) | (8,963) |
| Interest element of finance lease rental payments | | (470) | (255) |
| Net cash outflow from returns on investments and servicing of finance | | (9,859) | (8,358) |
| TAX | | | |
| Hong Kong profits tax paid | | (1,094) | (2,434) |
| INVESTING ACTIVITIES | | | |
| Purchases of fixed assets | | (70,803) | (33,695) |
| Proceeds from disposal of fixed assets | | – | 57 |
| Additions to development costs | | (3,963) | (1,161) |
| Purchases of long term investments | | – | (17,205) |
| Deposit for purchase of long term investment | | – | (13,550) |
| Decrease/(increase) in pledged time deposits | | 8,791 | (2,621) |
| Acquisition of a subsidiary | 24(b) | 5 | – |
| Proceeds from disposal of subsidiaries | 24(c) | 308 | – |
| Repayment of loan advanced to a subsidiary disposed during the year | | 6,424 | – |
| Net cash outflow from investing activities | | (59,238) | (68,175) |
| NET CASH OUTFLOW BEFORE FINANCING ACTIVITIES | | (14,868) | (75,361) |
| FINANCING ACTIVITIES | 24(d) | | |
| Issue of share capital | | 9,000 | 41,782 |
| Share issue expenses | | (651) | (1,428) |
| Issue of convertible note | | 20,000 | – |
| Repayment of convertible note | | (20,000) | – |
| Repayment of bank loans | | (2,250) | (4,393) |
| Capital element of finance lease rental payments | | (2,308) | (1,871) |
| Minority shareholder's contribution on forming a new subsidiary | | – | 5 |
| Net cash inflow from financing activities | | 3,791 | 34,095 |
| DECREASE IN CASH AND CASH EQUIVALENTS | | (11,077) | (41,266) |
| Cash and cash equivalents at beginning of year | | (55,432) | (14,166) |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | | (66,509) | (55,432) |

Consolidated Cash Flow Statement *(continued)*

Year ended 31 May 2001

| | 2001 | 2000 |
|--|-----------------|----------|
| | HK\$'000 | HK\$'000 |
| ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS | | |
| Cash and bank balances | 11,726 | 14,800 |
| Deposits with banks | 9,074 | 6,175 |
| Bank overdrafts, secured | (10,134) | (8,221) |
| Trust receipt loans with original maturity of less than three months | (77,175) | (68,186) |
| | (66,509) | (55,432) |