



CONSOLIDATED CASH FLOW STATEMENT

For the Year Ended 31st December, 2001

	2001 HK\$'000	2000 HK\$'000
NET CASH OUTFLOW FROM OPERATING ACTIVITIES (<i>note a</i>)	<u>(10,941)</u>	<u>(3,680)</u>
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest paid	(3,569)	(4,557)
Interest received	<u>738</u>	<u>1,357</u>
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	<u>(2,831)</u>	<u>(3,200)</u>
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(10,671)	(3,280)
(Increase) decrease in pledged bank deposits	(737)	463
Proceeds from disposal of property, plant and equipment	120	18
Purchase of investments in securities	—	(129)
Proceeds from disposal of investments in securities	<u>—</u>	<u>128</u>
NET CASH OUTFLOW FROM INVESTING ACTIVITIES	<u>(11,288)</u>	<u>(2,800)</u>
NET CASH OUTFLOW BEFORE FINANCING	<u>(25,060)</u>	<u>(9,680)</u>
FINANCING (<i>note b</i>)		
Issue of new shares	27,436	24,000
New secured bank loans raised	10,787	—
Repayment of secured bank loans	<u>(6,500)</u>	<u>(6,500)</u>
NET CASH INFLOW FROM FINANCING	<u>31,723</u>	<u>17,500</u>
INCREASE IN CASH AND CASH EQUIVALENTS	6,663	7,820
CASH AND CASH EQUIVALENTS AT 1ST JANUARY	23,882	16,021
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	<u>—</u>	<u>41</u>
CASH AND CASH EQUIVALENTS AT 31ST DECEMBER	30,545	23,882
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	31,249	24,070
Bank overdraft	<u>(704)</u>	<u>(188)</u>
	<u>30,545</u>	<u>23,882</u>



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For the Year Ended 31st December, 2001

Notes:

(a) Reconciliation of loss for the year to net cash outflow from operating activities:

	2001 HK\$'000	2000 HK\$'000
Loss for the year	(5,967)	(14,128)
Depreciation	1,859	2,232
Interest income	(738)	(1,357)
Interest expenses	3,569	4,557
Revaluation deficit on investment properties	7,000	4,805
Write back of impairment loss in respect of properties held for sale	(7,940)	—
Gain on disposal of property, plant and equipment	(15)	(12)
Loss on disposal of other investments	—	112
Unrealised holding (gains) losses on other investments	(46)	56
(Increase) decrease in inventories	(10,699)	154
Increase in trade and other receivables	(70)	(2,429)
Increase in trade and other payables	3,864	572
(Decrease) increase in bills payable	(1,758)	1,758
	<u>(10,941)</u>	<u>(3,680)</u>
Net cash outflow from operating activities	<u>(10,941)</u>	<u>(3,680)</u>

(b) Analysis of changes in financing during the year:

	Share capital and share premium HK\$'000	Secured bank loans HK\$'000
Balance at 1st January, 2000	408,992	48,750
Issue of new shares	24,000	—
Repayment during the year	—	(6,500)
	<u>432,992</u>	<u>42,250</u>
Balance at 31st December, 2000	432,992	42,250
Issue of new shares	27,436	—
New bank loans raised	—	10,787
Repayment during the year	—	(6,500)
	<u>460,428</u>	<u>46,537</u>
Balance at 31st December, 2001	<u>460,428</u>	<u>46,537</u>