

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st December 2000

	Note	2000 HK\$'000	1999 HK\$'000
OPERATING ACTIVITIES			
Net cash inflow from operating activities	a	75,626	79,324
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		2,895	2,918
Interest paid		(9,346)	(13,119)
Dividends received from an associated company		532	563
Dividends received from joint ventures		2,764	—
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		(3,155)	(9,638)
TAXATION			
Hong Kong profits tax paid		(314)	(53)
Overseas tax paid		(6,241)	(5,811)
TAX PAID		(6,555)	(5,864)
INVESTING ACTIVITIES			
Purchase of fixed assets		(24,916)	(14,170)
Construction in progress		(22,875)	(10,303)
Proceeds on disposal of fixed assets		722	39,934
Proceeds on disposal of interests in an associated company		—	5,663
Proceeds on disposal of a joint venture		2,909	—
Proceeds on disposal of interests in other investments		2,222	—
Purchase of a joint venture		—	(5,047)
Purchase of subsidiaries	c	(26,847)	—
NET CASH (OUTFLOW)/INFLOW FROM INVESTING ACTIVITIES		(68,785)	16,077
NET CASH (OUTFLOW)/ INFLOW BEFORE FINANCING		(2,869)	79,899

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FINANCING			
Issue of new shares		71	—
New bank loans		6,840	42,315
Repayment of bank loans		(21,961)	(102,710)
NET CASH OUTFLOW FROM FINANCING	b	(15,050)	(60,395)
(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS			
		(17,919)	19,504
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		70,318	50,122
EFFECT OF FOREIGN EXCHANGE RATE CHANGE		(81)	692
CASH AND CASH EQUIVALENTS AT END OF YEAR		52,318	70,318
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances		50,330	44,991
Bank deposits		15,453	36,728
Bank overdrafts		(13,465)	(11,401)
		52,318	70,318

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a. Reconciliation of Profit Before Taxation to Net Cash Inflow from Operating Activities

	2000 HK\$'000	1999 HK\$'000
Profit before taxation	48,805	55,176
Depreciation of fixed assets	26,935	29,589
Net loss/(profit) on disposal of fixed assets	233	(28,966)
Profit on disposal of interests in an associated company	—	(6,507)
Profit on disposal of a joint venture	(2,994)	—
Profit on disposal of interests in other investments	(2,222)	—
Provision for diminution in value of other investments	1,500	12,166
Provision for impairment in fixed assets	2,159	10,175
Revaluation deficit on investment properties	9,917	—
Write off fixed assets and other current assets of a subsidiary (1999: excluding cash and cash equivalents of HK\$290,000)	915	4,093
Share of profit less losses of		
– an associated company	(4,115)	(2,819)
– joint ventures	(12,165)	(13,009)
(Increase)/decrease in inventories	(7,355)	15,541
Decrease/(increase) in trade and other receivables	4,231	(12,881)
Increase in trade and other payables	3,067	5,566
Decrease/(increase) in amounts due by an associated company	339	(793)
(Increase)/decrease in amounts due by joint ventures	(45)	1,868
Net interest expenses	6,421	10,125
Net cash inflow from operating activities	75,626	79,324

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b. Analysis of Changes in Financing During the Year

	Share capital (including premium) HK\$'000	Bank loans HK\$'000	Minority interests HK\$'000
Balance at 1st January 1999	102,411	198,165	58,271
Effect of foreign exchange rate changes	—	—	22
Cash outflow from financing	—	(60,395)	—
Minority interests' share of profits	—	—	6,392
Balance at 31st December 1999 and 1st January 2000	102,411	137,770	64,685
Effect of foreign exchange rate changes	—	(9,997)	(359)
Purchase of subsidiaries (note c)	—	—	(49,390)
Cash outflow from financing	71	(15,121)	—
Minority interests' share of profits	—	—	1,954
Reclassification of loan to minority interests on purchase of subsidiaries	—	—	(320)
Share of investment property revaluation surplus by minority interests	—	—	274
Balance at 31st December 2000	102,482	112,652	16,844

c. Purchase of Subsidiaries

	2000 HK\$'000	1999 HK\$'000
Further acquisition of interests in subsidiaries	49,390	—
Capital reserve	(22,543)	—
	26,847	—
Satisfied by:		
Cash consideration and outflow of cash and cash equivalents in respect of purchase of subsidiaries	26,847	—