

# CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st March 2001

(Expressed in Hong Kong dollars)

	Note	2001 \$'000	2000 \$'000 (Note 31)
<b>Net cash (outflow) inflow from operating activities</b>	(a)	<b>(48,546)</b>	<b>51,236</b>
<b>Returns on investments and servicing of finance</b>			
Interest received		11,035	2,250
Interest paid		(15,687)	(20,640)
		<b>(4,652)</b>	<b>(18,390)</b>
<b>Taxation</b>			
Hong Kong profits tax paid		–	(304)
<b>Investing activities</b>			
Additions of fixed assets		(4,676)	(796)
Proceeds from disposals of fixed assets		1,177	60
Increase in investment in a jointly controlled entity		(3,122)	(5)
Increase in investments in associated companies	(b)	(42,408)	–
Increase in investment securities		(6,730)	–
Increase in loan to a subsidiary	(c)	(33,647)	–
Cash paid for acquisitions of subsidiaries	(c)	(10,153)	–
Cash inflow from the acquisitions of subsidiaries	(c)	1,235	–
		<b>(98,324)</b>	<b>(741)</b>
Net cash (outflow) inflow before financing activities		<b>(151,522)</b>	<b>31,801</b>
<b>Financing activities</b>	(d)		
Issue of new shares		233,047	–
Capital contributions by minority shareholders		252	–
Drawdown of long-term bank loans		–	4,500
Repayment of long-term bank loans		(4,845)	(4,051)
Increase (Decrease) in other loans		103,802	(2,670)
Repayment of obligations under hire purchase contracts		(4,316)	(5,169)
		<b>327,940</b>	<b>(7,390)</b>
<b>Increase in cash and cash equivalents</b>		<b>176,418</b>	<b>24,411</b>
<b>Effect of changes in foreign exchange rates</b>		<b>(10)</b>	<b>–</b>
<b>Cash and cash equivalents, beginning of year</b>		<b>(83,720)</b>	<b>(108,131)</b>
<b>Cash and cash equivalents, end of year</b>		<b>92,688</b>	<b>(83,720)</b>
<b>Analysis of cash and cash equivalents</b>			
Cash and bank deposits		223,610	49,073
Bank overdrafts and short-term bank loans, secured		(130,922)	(132,793)
		<b>92,688</b>	<b>(83,720)</b>

# CONSOLIDATED CASH FLOW STATEMENT (Continued)

For the year ended 31st March 2001

(Expressed in Hong Kong dollars)

	2001 \$'000	2000 \$'000 (Note 31)
<b>(a) Reconciliation of loss before taxation to net cash (outflow) inflow from operating activities</b>		
Loss before taxation	(49,723)	(53,453)
Interest income	(11,035)	(2,250)
Interest expense	15,687	20,640
Depreciation of fixed assets	8,063	10,902
Net gain on disposals of fixed assets	(690)	(10)
Provision for impairment of fixed assets	1,831	–
Write-off of construction-in-progress	–	1,822
Unrealised holding gain on other investment	(455)	–
Provision for impairment in value of assets relating to the hotel operations	–	11,477
Provision for long-term loans receivable	–	3,840
Provision for impairment in value of investment in an associated company	–	350
Share of profits less losses of associated companies	(4,039)	–
Share of losses of a jointly controlled entity	1,296	–
(Increase) Decrease in amounts due from customers for contract work	(39,058)	35,281
Decrease in inventories	1,676	2,802
Decrease (Increase) in progress billings and accounts receivable	98,396	(18,804)
Decrease (Increase) in amounts due from related companies	534	(279)
(Increase) Decrease in amounts due from associated companies	(7,803)	4,889
Decrease in prepayments, deposits and other receivables	4,909	5,611
Decrease in long-term loans receivable	2,679	1,055
Decrease in other assets	3	277
(Decrease) Increase in amounts due to customers for contract work	(28,720)	29,240
Decrease in accounts payable and accruals	(59,576)	(3,934)
Increase in amounts due to related companies	19,006	12
(Decrease) Increase in amount due to an associated company	(1,527)	1,768
<b>Net cash (outflow) inflow from operating activities</b>	<b>(48,546)</b>	<b>51,236</b>

## CONSOLIDATED CASH FLOW STATEMENT (Continued)

For the year ended 31st March 2001  
(Expressed in Hong Kong dollars)

### (b) Major non-cash transactions

During the year, certain investment securities of approximately \$5,787,000 were acquired through the exchange of certain equity interests in an associated company in a share swap.

### (c) Acquisitions of subsidiaries

During the year, the Group acquired certain subsidiaries at an aggregate consideration of approximately \$10,153,000. Details of net assets acquired are set out as follows:

	\$'000
Cash and bank deposits	1,235
Prepayments, deposits and other receivables	7,441
Other investment	1,220
Investment securities	33,647
Accounts payable and accruals	(765)
Loan from the Company	(33,647)
	<u>9,131</u>

### (d) Analysis of changes in financing

	Minority Interests \$'000	Bank Loans & Hire Purchase Contracts \$'000	Share Capital (including Share Premium) \$'000
Balance, beginning of year	465	15,317	119,503
Issue of new shares	—	—	233,047
Drawdown of long-term bank loans	—	—	—
Repayment of long-term bank loans	—	(4,845)	—
Repayment of capital element of hire purchase contracts	—	(4,316)	—
Share of current year's loss	(476)	—	—
Capital contributions by minority shareholders	252	—	—
	<u>241</u>	<u>6,156</u>	<u>352,550</u>
Balance, end of year	<u>241</u>	<u>6,156</u>	<u>352,550</u>