

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2001

	<i>Note</i>	2001 <i>HK\$'000</i>	2000 <i>HK\$'000</i>
Cash flows from operating activities			
Loss before taxation		(35,203)	(4,265)
Deficit/(surplus) on revaluation of properties		15,319	(10)
Dividend income		(3)	(16)
Interest income		(45)	(1,294)
Interest expense		687	2
Depreciation		3,096	1,181
Amortisation of goodwill		2,671	–
Loss on disposal of fixed assets		207	–
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Operating loss before working capital changes		(13,271)	(4,402)
Increase in inventories		(157)	–
Increase in debtors and prepayments		(30,426)	(7,305)
Increase in net amounts due to group companies		–	28,652
Increase/(decrease) in creditors and accruals		1,685	(1,824)
Decrease/(increase) in trading securities		7,333	(7,580)
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Cash generated from operations		(34,836)	7,541
Interest paid		(668)	(2)
Interest element of finance lease rental payments		(19)	–
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Net cash from operating activities		(35,523)	7,539
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Cash flows from investing activities			
Acquisition of a subsidiary company	21(a)	962	–
Purchase of fixed assets		(8,988)	(3,320)
Disposal of fixed assets		485	–
Dividend received		3	16
Interest received		45	1,294
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Net cash used in investing activities		(7,493)	(2,010)
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Cash flows from financing activities			
Issue of new shares less expenses		29,973	–
New long-term bank loan		11,000	–
Repayment of long-term bank loan		(472)	–
Capital element of finance lease rental payments		(41)	–
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Net cash used in financing activities	21(b)	40,460	–
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(Decrease)/increase in cash and cash equivalents		(2,556)	5,529
Cash and cash equivalents at beginning of year		<u>1,192</u>	<u>(4,337)</u>
Cash and cash equivalents at end of year		<u><u>(1,364)</u></u>	<u><u>1,192</u></u>
Analysis of balances of cash and cash equivalents			
Cash and bank balances		1,595	1,192
Bank overdrafts		<u>(2,959)</u>	<u>—</u>
		<u><u>(1,364)</u></u>	<u><u>1,192</u></u>