

Consolidated Cash Flow Statement

For the year ended 31 December 2001

(Expressed in Hong Kong dollars)

	Note	\$'000	2001 \$'000	\$'000	2000 \$'000
Net cash inflow from operating activities	a		277,724		89,173
Returns on investments and servicing of finance					
Dividends received		206		486	
Interest received		20,412		36,029	
Interest paid		(2,901)		(1,377)	
Dividends paid		(58,051)		(333,800)	
Dividends paid to minority shareholders		(3,016)		(3,017)	
Net cash outflow from returns on investments and servicing of finance			(43,350)		(301,679)
Taxation					
Hong Kong profits tax paid		(66)		(10,717)	
Overseas tax paid		(9,760)		(7,207)	
Tax paid			(9,826)		(17,924)
Investing activities					
Proceeds from disposal of fixed assets		349		156	
Payment for purchase of fixed assets		(98,867)		(128,341)	
Proceeds from disposal of non-trading securities		103,446		200,522	
Purchase of non-trading securities		(92,367)		(171,151)	
Increased investment in associate		–		(11,628)	
Net cash outflow from investing activities			(87,439)		(110,442)
Net cash inflow/(outflow) before financing carried forward			137,109		(340,872)

Consolidated Cash Flow Statement *(continued)*

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

	Note	\$'000	2001 \$'000	\$'000	2000 \$'000
Net cash inflow/(outflow) before financing brought forward			137,109		(340,872)
Financing					
New bank loans	<i>b</i>	30,423		–	
Repayment of bank loans	<i>b</i>	–		(3,930)	
Proceeds on issue of shares	<i>b</i>	462		15,887	
Repurchase of own shares	<i>b</i>	(365)		(3,769)	
Capital contribution by minority shareholder	<i>b</i>	–		3,605	
Net cash inflow from financing			30,520		11,793
Increase/(decrease) in cash and cash equivalents			167,629		(329,079)
Effect of foreign exchange rates			(761)		(535)
Cash and cash equivalents at 1 January			180,908		510,522
Cash and cash equivalents at 31 December	<i>c</i>		347,776		180,908

The notes on pages 32 to 64 form part of these financial statements.

Consolidated Cash Flow Statement *(continued)*

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

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

a *Reconciliation of operating profit to net cash inflow from operating activities*

	2001	2000
	\$'000	\$'000
Operating profit	44,749	215,886
Interest income	(20,291)	(37,246)
Dividend income	(206)	(486)
Realised losses/(gains) on disposal of non-trading securities	693	(3,941)
Depreciation of fixed assets	89,947	77,218
Amortisation of goodwill	254	–
Loss/(profit) on disposal of fixed assets	48	(122)
Effect of foreign exchange differences	442	(47)
Decrease in amount due from associate	7,797	12,723
(Increase)/decrease in trading securities	(14,595)	2,546
Decrease/(increase) in inventories	147,585	(147,880)
Decrease/(increase) in trade and other receivables	114,330	(116,447)
(Decrease)/increase in bills payable	(4,095)	3,647
(Decrease)/increase in trade and other payables	(88,934)	83,322
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Net cash inflow from operating activities	<u>277,724</u>	<u>89,173</u>

Consolidated Cash Flow Statement *(continued)*

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

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (continued)

b Analysis of changes in financing during the year

	Bank loans \$'000	Minority interests \$'000	Share capital (including share premium) \$'000	Convertible notes \$'000
At 1 January 2000	13,953	29,556	566,355	5,533
Net cash (outflow)/inflow from financing	(3,930)	–	12,118	–
Capital contribution by minority shareholder	–	3,605	–	–
Dividend paid to minority interests	–	(3,017)	–	–
Amortisation of finance costs	–	–	–	5
Attributable profits	–	6,145	–	–
Shares issued as purchase consideration for shares in subsidiaries	–	(8,925)	26,193	31,200
Conversion of notes	–	–	5,538	(5,538)
Effect of foreign exchange differences	–	(15)	–	–
At 31 December 2000	<u>10,023</u>	<u>27,349</u>	<u>610,204</u>	<u>31,200</u>
At 1 January 2001	10,023	27,349	610,204	31,200
Net cash inflow from financing	30,423	–	97	–
Dividend paid to minority interests	–	(3,016)	–	–
Attributable losses	–	(10,803)	–	–
Shares issued for non-cash consideration (<i>note d</i>)	–	–	38,391	–
Acquisition of minority interests	–	8,681	–	–
Effect of foreign exchange differences	–	54	–	–
At 31 December 2001	<u>40,446</u>	<u>22,265</u>	<u>648,692</u>	<u>31,200</u>

Consolidated Cash Flow Statement *(continued)*

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

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (continued)

c Analysis of cash and cash equivalents

	2001	2000
	\$'000	\$'000
Deposits with banks and other financial institutions	291,994	95,168
Cash at bank and in hand	76,584	97,129
Bank loans and overdrafts	(20,802)	(11,389)
	<u>347,776</u>	<u>180,908</u>

d Major non-cash transactions

During the year, shares were issued as consideration for the acquisition of additional interests in a subsidiary and as a result of scrip dividends. The issue of these shares represents non-cash transactions.