

Consolidated Cash Flow Statement

for the year ended 30th June, 2001

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FINANCIAL STATEMENTS

	Note	2001 HK\$'000	2000 HK\$'000
Net cash (outflow) / inflow from operating activities	(a)	(571,919)	361,468
Returns on investments and servicing of finance			
Interest paid		(98,620)	(105,554)
Interest received		71,433	38,533
Dividend paid		(33,007)	(79,475)
Dividend received from associates		—	9,361
Net cash outflow from returns on investments and servicing of finance		(60,194)	(137,135)
Taxation			
Hong Kong profits tax paid		(877)	(415)
Hong Kong profits tax refund		393	—
Taxation outside Hong Kong paid		(9,582)	(16,184)
Tax indemnity received		10,675	12,809
Net tax received / (paid)		609	(3,790)
Investing activities			
Disposal of fixed assets		283	957
Purchase of fixed assets		(1,077)	(1,649)
Investments in associates		(1,275)	(12,024)
(Advance to) / repayment from associates		(20,701)	5,436
Purchase of investment securities		(4,272)	(16,042)
Disposal of investment securities		730	—
Decrease in loans receivable		96,833	—
Purchase of subsidiary	(c)	—	(28,075)
Net cash inflow / (outflow) from investing activities		70,521	(51,397)
Net cash (outflow) / inflow before financing		(560,983)	169,146
Financing			
New bank loans	(e)	2,775,937	2,484,035
Repayment of bank loans	(e)	(2,436,686)	(2,305,923)
Contribution from / (repayment to) minorities	(e)	67,666	(132,913)
Net cash inflow from financing		406,917	45,199
(Decrease) / increase in cash and cash equivalents		(154,066)	214,345
Cash and cash equivalents at 1st July		355,234	140,889
Cash and cash equivalents at 30th June	(d)	201,168	355,234

Consolidated Cash Flow Statement (cont'd)

for the year ended 30th June, 2001

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

(a) Reconciliation of profit from ordinary activities before share of losses less profits of associates to net cash (outflow) / inflow from operating activities

	2001 HK\$'000	2000 HK\$'000
Profit from ordinary activities before share of losses less profits of associates	240,702	253,181
Interest expense	5,739	6,421
Interest income	(103,833)	(134,694)
Depreciation	869	1,295
Loss on disposal of fixed assets	—	6
Gain on disposal of investment securities	(17)	—
Loss on disposal of investment in associates	4,461	—
Increase in properties held for development	(95,991)	(63,399)
(Increase) / decrease in instalments receivable	(72,360)	92,206
Decrease / (increase) in properties under development	858,150	(177,104)
(Increase) / decrease in completed properties for sale	(1,273,373)	237,592
Increase in debtors, prepayments and deposits	(87,368)	(44,641)
Increase / (decrease) in creditors and accrued expenses	169,672	(223,381)
(Decrease) / increase in rental and other deposits	(1,115)	844
(Decrease) / increase in amounts due to fellow subsidiaries	(217,455)	413,142
Net cash (outflow) / inflow from operating activities	(571,919)	361,468

(b) Purchase of subsidiary

	2001 HK\$'000	2000 HK\$'000
Net assets acquired:—		
Property held for development	—	240,309
Debtors, prepayments and deposits	—	40,602
Cash at bank and in hand	—	9,458
Creditors and accrued expenses	—	(83,556)
	—	206,813
Less: Capital reserve arising on consolidation	—	(5,894)
	—	200,919
Satisfied by:—		
Loans and interest receivable	—	163,386
Cash	—	37,533
	—	200,919

Consolidated Cash Flow Statement (cont'd)

for the year ended 30th June, 2001

(c) Analysis of net outflow of cash and cash equivalents in respect of the purchase of subsidiary

	2001 HK\$'000	2000 HK\$'000
Cash consideration	—	37,533
Cash at bank and in hand acquired	—	(9,458)
	<u>—</u>	<u>(9,458)</u>
Net outflow of cash and cash equivalents in respect of the purchase of subsidiary	<u>—</u>	<u>28,075</u>

(d) Analysis of the balances of cash and cash equivalents

	2001 HK\$'000	2000 HK\$'000
Cash at bank and in hand	201,692	356,316
Bank overdrafts	(524)	(1,082)
	<u>201,168</u>	<u>355,234</u>

(e) Analysis of changes in financing during the year

	Minority interests HK\$'000	Bank loans HK\$'000
Balance at 1st July, 1999	960,253	1,445,923
Net cash (outflow) / inflow from financing	(132,913)	178,112
Attributable profit	1,833	—
Revaluation reserve	(71,250)	—
	<u>757,923</u>	<u>1,624,035</u>
Balance at 30th June, 2000	757,923	1,624,035
Balance at 1st July, 2000	757,923	1,624,035
Net cash inflow from financing	67,666	339,251
Attributable profit	24,216	—
Revaluation reserve	(17,369)	—
	<u>832,436</u>	<u>1,963,286</u>
Balance at 30th June, 2001	832,436	1,963,286