

Consolidated Cash Flow Statement

For the year ended 31st December, 1998

	NOTES	1998 HK\$'000 (Note 1)	1997 HK\$'000 (Note 1)
NET CASH INFLOW FROM OPERATING ACTIVITIES	27	193,045	74,995
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Dividends paid		(68,641)	(23,218)
Interest paid		(4,649)	(2,753)
Interest received		3,842	1,138
Rental received		351	339
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		(69,097)	(24,494)
TAXATION			
Hong Kong Profits Tax paid		(1,030)	(307)
Overseas tax paid		(2,367)	(1,112)
		(3,397)	(1,419)
INVESTING ACTIVITIES			
Acquisition of intellectual property rights		(89,119)	—
Purchase of fixed assets		(38,840)	(24,060)
Acquisition of long-term investment		(468)	—
Amount repaid from (advanced to) directors		316	(171)
Proceed from disposal of fixed assets		81	2
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		(128,030)	(24,229)
NET CASH (OUTFLOW) INFLOW BEFORE FINANCING ACTIVITIES		(7,479)	24,853

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For the year ended 31st December, 1998

	NOTES	1998 HK\$'000 (Note 1)	1997 HK\$'000 (Note 1)
FINANCING ACTIVITIES	30		
Proceeds from public issue of shares		180,000	—
Share issue expenses		(18,642)	—
Proceeds from issue of shares before Group Reorganisation		38,699	—
Bank loans raised		41,700	—
Repayment of advances from directors		(24,001)	(10,137)
Repayment of bank loans		(10,290)	(11,799)
Repayment to minority shareholders on winding up of a subsidiary	28	(6,961)	—
Repayment of advance from a related company		(2,764)	—
NET CASH INFLOW (OUTFLOW) FROM FINANCING ACTIVITIES		197,741	(21,936)
INCREASE IN CASH AND CASH EQUIVALENTS		190,262	2,917
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		22,358	19,481
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		46	(40)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		212,666	22,358
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS			
Bank balances and cash		212,667	22,358
Bank overdraft		(1)	—
		212,666	22,358