

Consolidated cash flow statement for the year ended 31 December 2002

(Expressed in Hong Kong dollars)

	Note	2002 \$'000	2001 \$'000 Restated
Operating activities			
Profit from ordinary activities before taxation		71,199	201,835
Adjustments for:			
- Finance costs		143	-
- Share of profit of associate		(1,081)	-
- Interest income		(9,094)	(11,735)
- Depreciation and amortisation		19,219	18,682
- Loss on disposal of fixed assets		61	81
Operating profit before changes in working capital		80,447	208,863
Increase in non-current prepayments		(101,040)	-
Increase in inventories		(563)	(59)
Increase in amount due from ultimate holding company		(1,159)	(3,169)
Decrease/ (increase) in accounts receivable		90,773	(167,845)
Increase in other receivables and deposits		(384)	(641)
Increase in prepayments		(37,885)	-
(Decrease) / increase in accounts payable		(498)	323
Decrease in advertising deposits received		-	(1,229)
Increase in other payables and accruals		3,032	12,256
Cash generated from operations		32,723	48,499
Interest received		556	460
Tax paid			
PRC income tax paid		(380)	-
Hong Kong Profits Tax paid		(26,561)	(1,526)
Net cash from operating activities		6,338	47,433

	Note	2002 \$'000	2001 \$'000 Restated
Investing activities			
Payment for purchases of fixed assets		(473)	(134,055)
Proceeds from sales of fixed assets		14	-
Loan to associate		(12,258)	-
Capital injection to associate		(42,234)	-
Payment for purchase of subsidiaries, net of cash acquired	29(b)	(33,383)	-
Interest received		8,489	11,275
Net cash used in investing activities		(79,845)	(122,780)
Financing activities			
Placement of pledged bank deposit		(100,000)	-
Proceeds from new bank loans		128,000	-
Proceeds from shares issued to KMB Resources		-	95,000
Net proceeds from the Global Offering		-	489,246
Proceeds from shares issued under over allotment		-	48,811
Proceeds from shares issued under the Share Option Schemes		7,810	-
Interest paid		(143)	-
Dividend paid		(8,164)	(10,000)
Dividend paid to minority shareholder		(7,331)	(2,481)
Cash generated from financing activities		20,172	620,576
Net (decrease)/increase in cash and cash equivalents		(53,335)	545,229
Cash and cash equivalents at 1 January		562,346	17,117
Cash and cash equivalents at 31 December	22	509,011	562,346

The notes on pages 47 to 67 form part of these financial statements.