

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st December, 2002

	2002	2001
	HK\$'000	HK\$'000
OPERATING ACTIVITIES		
(Loss) profit before taxation	(7,682)	44,149
Adjustments for:		
Interest income	(148)	(379)
Interest expense	49	361
Depreciation and amortisation	1,725	797
Deficit arising on revaluation of leasehold land and buildings	–	1,604
Gain on disposal of property, plant and equipment	(154)	–
Share of results of jointly controlled entities	847	–
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Operating cash flows before movements in working capital	(5,363)	46,532
Increase in film rights and production in progress	(18,596)	(26,774)
(Increase) decrease in inventories	(48)	55
Decrease (increase) in trade and other receivables	17,929	(18,733)
(Increase) decrease in amount due from a related company	(250)	5,301
(Decrease) increase in trade and other payables	(2,294)	5,590
Decrease in amount due to a related company	–	(1,209)
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Cash (used in) generated from operations	(8,622)	10,762
Hong Kong Profits Tax paid	(1,638)	(7,649)
Interest paid	(49)	(361)
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NET CASH (USED IN) FROM OPERATING ACTIVITIES	(10,309)	2,752
INVESTING ACTIVITIES		
Advance to a jointly controlled entity	(6,697)	–
Purchase of property, plant and equipment	(6,499)	(2,990)
Acquisition of jointly controlled entities	(5,000)	–
Proceeds from disposal of property, plant and equipment	226	–
Interest received	148	379
Purchase of investment securities	–	(1,000)
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NET CASH USED IN INVESTING ACTIVITIES	(17,822)	(3,611)

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st December, 2002

(Continued)

	2002	2001
	HK\$'000	HK\$'000
FINANCING ACTIVITIES		
Dividends paid	(11,550)	–
Repayment of bank borrowings	(379)	(5,910)
Expense incurred in connection with the issue of shares	(30)	(16,717)
Proceeds from issue of shares	16,800	67,500
Repayment to a director	–	(12,149)
Repayment of obligations under a hire purchase contract	–	(133)
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NET CASH FROM FINANCING ACTIVITIES	4,841	32,591
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NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(23,290)	31,732
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CASH AND CASH EQUIVALENTS AT 1ST JANUARY	38,407	6,675
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CASH AND CASH EQUIVALENTS AT 31ST DECEMBER	15,117	38,407
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ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	15,117	39,216
Bank overdrafts	–	(809)
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	15,117	38,407
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