

Consolidated Cash Flow Statement

Year ended 31 December 2002

	<i>Notes</i>	2002 HK\$'000	2001 <i>HK\$'000</i> (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(35,900)	(48,447)
Adjustments for:			
Finance costs	9	19,516	21,677
Share of loss of an associate		3,518	-
Interest income	6	(785)	(1,089)
Loss on disposal of fixed assets	6	309	1,135
Depreciation	6	38,189	29,339
Amortisation of intangible assets	6	20,452	18,305
Amortisation of goodwill	6	503	502
Negative goodwill recognised as income	6	(10)	(3,251)
Impairment of an investment in an associate	6	142	96
Impairment of long term investments	6	-	6,178
Provision for doubtful debts	6	2,781	807
Operating profit before working capital changes		48,715	25,252
Decrease/(increase) in inventories		(28,416)	77,928
Decrease/(increase) in accounts receivable		(2,942)	46,620
Decrease in prepayments, deposit and other receivables		1,310	12,049
Decrease in accounts and bills payables		(2,712)	(8,114)
Decrease in other payables and accruals		(2,941)	(23,433)
Cash generated from operations		13,014	130,302
Taxes refunded		-	2,422
Taxes paid		(1,853)	(3,978)
Net cash inflow from operating activities		11,161	128,746

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Year ended 31 December 2002

Notes	2002 HK\$'000	2001 HK\$'000 (Restated)
Net cash inflow from operating activities	11,161	128,746
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	785	1,089
Purchases of fixed assets	(38,214)	(60,936)
Proceeds from disposal of fixed assets	896	1,554
Acquisition of subsidiaries	(164)	(93)
Additions to intangible assets	(18,182)	(29,276)
Purchases of long term investments	(4,161)	-
Decrease/(increase) in amounts due from associates	(103)	133
Net cash outflow from investing activities	(59,143)	(87,529)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(19,076)	(20,904)
Interest element on finance lease rental payments	(440)	(773)
Proceeds from issue of shares	43,865	30,679
Share issue expenses	(324)	-
Drawdown of bank loans	53,375	94,364
Repayment of bank loans	(47,534)	(106,036)
Increase/(decrease) in trust receipt loans	24,115	(46,425)
Capital element of finance lease rental payments	(5,556)	(4,352)
Net cash inflow/(outflow) from financing activities	48,425	(53,447)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	443	(12,230)
Cash and cash equivalents at beginning of year	15,328	25,130
Effect of foreign exchange differences, net	3,159	2,428
CASH AND CASH EQUIVALENTS AT END OF YEAR	18,930	15,328
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	34,750	17,937
Bank overdrafts	(15,820)	(2,609)
	18,930	15,328