

# CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 December 2002

	Notes	2002 HK\$'000	2001 HK\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit/(loss) before tax		(76,994)	8,694
Adjustments for:			
Finance costs	9	4,468	171
Bank interest income	6	(31)	–
Negative goodwill recognised	6	(3,267)	–
Depreciation	7	18,793	16,267
Loss on disposal of fixed assets	7	94	–
Loss on disposal of other assets	7	232	–
Provision for impairment of leasehold land and buildings	7	5,500	–
Provision for impairment of leasehold improvements	7	22,375	–
Provision for impairment of furniture and fixtures	7	4,888	–
Provision for impairment of plant and equipment	7	1,283	–
Provision for impairment of other assets	7	1,865	–
Revaluation deficit on leasehold land and buildings	7	585	–
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Operating profit/(loss) before working capital changes		(20,209)	25,132
Decrease/(increase) in inventories		(14,871)	929
Decrease in accounts receivable		324	979
Decrease/(increase) in rental deposits, other deposits, prepayments and other receivables		20,110	(1,929)
Decrease/(increase) in balances with the ultimate and immediate holding companies, net		11,815	(31,304)
Increase in accounts payable		3,109	5,249
Increase in accruals		22,509	17,252
Increase/(decrease) in other payable		1,374	(880)
Increase/(decrease) in rental deposits received		(17)	505
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Cash generated from operations		24,144	15,933
Interest paid		(4,359)	(166)
Interest element on finance leases		(109)	(5)
Dividend paid		(7,560)	–
Hong Kong profits tax paid		(211)	(1,314)
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Net cash inflow from operating activities		11,905	14,448
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Bank interest received		31	–
Purchases of fixed assets	14	(135,937)	(36,392)
Purchases of other assets		(1,400)	–
Acquisition of Sourcing Business and/or Restaurant Operation	24(a)	12,824	1,381
Proceeds from disposal of fixed assets		–	7
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Net cash outflow from investing activities		(124,482)	(35,004)

# CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 December 2002

		2002	2001
	Notes	HK\$'000	HK\$'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of share capital	22	35,000	–
Share issue expenses	22	(15,364)	–
New bank loans		82,500	37,000
Repayment of bank loans		(4,430)	–
Capital elements of finance leases		(979)	(52)
		<u>96,727</u>	<u>36,948</u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>			
Cash and cash equivalents at beginning of year		26,653	10,261
		<u>26,653</u>	<u>10,261</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>			
		<u>10,803</u>	<u>26,653</u>
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances		21,927	26,653
Bank overdrafts	19	(11,124)	–
		<u>10,803</u>	<u>26,653</u>