

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st December, 2003

	2003	2002
	HK\$'000	HK\$'000
OPERATING ACTIVITIES		
Profit (loss) before taxation	1,273	(6,786)
Adjustments for:		
Interest income	(36)	(148)
Depreciation and amortisation	2,274	1,725
Impairment loss recognised in respect of investment securities	4,000	–
Gain on disposal of property, plant and equipment	–	(154)
	7,511	(5,363)
Operating cash flows before movements in working capital	7,511	(5,363)
Increase in film rights and production in progress	(13,997)	(18,596)
Increase in inventories	(928)	(48)
Increase (decrease) in trade and other receivables	(4,069)	17,929
Increase in amount due from a related company	(515)	(250)
Increase in amount due from a minority shareholder	(45)	–
Increase (decrease) in trade and other payables	12,170	(2,294)
	127	(8,622)
Cash generated from (used in) operations	127	(8,622)
Hong Kong Profits Tax paid	(35)	(1,638)
Hong Kong Profits Tax refunded	485	–
Interest paid	(513)	(49)
	64	(10,309)
NET CASH GENERATED FROM (USED) IN OPERATING ACTIVITIES	64	(10,309)
INVESTING ACTIVITIES		
Investment in a jointly controlled entity	(15,000)	(5,000)
Purchase of investment securities	(6,000)	–
Advance to a jointly controlled entity	(1,218)	(6,697)
Purchase of property, plant and equipment	(780)	(6,499)
Interest received	36	148
Proceeds from disposal of property, plant and equipment	–	226
	(22,962)	(17,822)
NET CASH USED IN INVESTING ACTIVITIES	(22,962)	(17,822)

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st December, 2003

(Continued)

	2003	2002
	HK\$'000	HK\$'000
FINANCING ACTIVITIES		
Bank and other loans raised	24,220	–
Repayment of bank and other loans	(1,075)	(379)
Dividends paid	–	(11,550)
Expense incurred in connection with the issue of shares	–	(30)
Proceeds from issue of shares	–	16,800
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NET CASH GENERATED FROM FINANCING ACTIVITIES	23,145	4,841
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NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	247	(23,290)
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CASH AND CASH EQUIVALENTS AT 1ST JANUARY	15,117	38,407
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CASH AND CASH EQUIVALENTS AT 31ST DECEMBER	15,364	15,117
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ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	15,439	15,117
Bank overdrafts	(75)	–
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	15,364	15,117
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