

# CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 December 2002

	Notes	2002 HK\$'000	2001 HK\$'000 (Restated)
<b>CASH INFLOW FROM OPERATING ACTIVITIES</b>			
Profit before tax		<b>95,894</b>	49,107
Adjustment for:			
Finance costs	7	-	7,857
Share of loss of an associate		<b>4,437</b>	13,424
Interest income	6	<b>(1,261)</b>	(1,600)
Depreciation	6	<b>82,479</b>	111,839
Amortisation of reusable packaging materials	6	<b>6,667</b>	11,523
Losses/(gains) on disposal of fixed assets, net	6	<b>2,059</b>	(136)
Gain on disposal of a subsidiary	6	<b>(2,388)</b>	-
Impairment of an investment security		<b>4,611</b>	-
Impairment of investment in an associate		-	5,600
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Operating profit before working capital changes		<b>192,498</b>	197,614
Decrease/(increase) in inventories		<b>(4,048)</b>	2,360
Decrease in trade receivables		<b>11,218</b>	343
Decrease/(increase) in prepayments, deposits and other receivables		<b>(3,883)</b>	5,156
Decrease in loan to a director		-	1,700
Increase/(decrease) in trade payables		<b>6,399</b>	(549)
Increase in other payables and accruals		<b>14,540</b>	9,131
Increase/(decrease) in VAT payable		<b>842</b>	(11,991)
Increase/(decrease) in amount due to a fellow subsidiary		<b>(8,612)</b>	4,963
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Cash generated from operations		<b>208,954</b>	208,727
Interest received		<b>1,261</b>	1,600
Interest paid		-	(9,936)
Hong Kong profits tax paid		<b>(2,456)</b>	(399)
Mainland China profits tax paid		<b>(14,726)</b>	(9,002)
Dividends paid		<b>(25,000)</b>	(12,500)
Dividends paid to a minority equityholder of subsidiaries		<b>(3,769)</b>	(4,304)
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Net cash inflow from operating activities – page 34		<b>164,264</b>	174,186

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## CONSOLIDATED CASH FLOW STATEMENT (cont'd)

Year ended 31 December 2002

	Note	2002 HK\$'000	2001 HK\$'000 (Restated)
Net cash inflow from operating activities – page 33		<b>164,264</b>	174,186
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchases of fixed assets		<b>(9,596)</b>	(4,320)
Proceeds from disposal of fixed assets		<b>38</b>	953
Disposal of a subsidiary	25	<b>20,000</b>	–
Purchases of reusable packaging materials		<b>(16,478)</b>	(5,480)
Net cash outflow from investing activities		<b>(6,036)</b>	(8,847)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
New interest-bearing bank loans		–	91,393
Repayment of interest-bearing bank loans		–	(251,567)
Repayment to immediate holding company		–	(97,856)
Repayment to minority equityholders of subsidiaries		–	(8,707)
Net cash outflow from financing activities		–	(266,737)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		<b>158,228</b>	(101,398)
Cash and cash equivalents at beginning of year		<b>74,579</b>	176,059
Effect of foreign exchange rate changes, net		<b>(73)</b>	(82)
CASH AND CASH EQUIVALENTS AT END OF YEAR		<b>232,734</b>	74,579
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances		<b>232,734</b>	74,579