

Consolidated Cash Flow Statement 31

Year ended 31 December 2003

	<i>Notes</i>	2003 HK\$'000	2002 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		636,254	495,817
Adjustments for:			
Finance costs	8	23,873	14,556
Share of losses of jointly-controlled entities		2,244	1,691
Gain on disposal of fixed assets	6	(424)	—
Depreciation	6	88,767	63,487
Goodwill amortisation	6	338	—
Provision for bad and doubtful debts	6	—	3,210
Interest income	6	(1,720)	(4,049)
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Operating profit before working capital changes		749,332	574,712
Increase in inventories		(108,478)	(115,066)
Increase in trade receivables		(77,800)	(128,053)
(Increase)/decrease in prepayments, deposits and other receivables		(30,200)	11,705
Increase in trade payables		32,245	14,209
Increase in other payables and accruals		30,590	27,590
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Cash generated from operations		595,689	385,097
Interest received		1,720	4,049
Hong Kong profits tax paid		(35)	—
Overseas taxes paid		(60,638)	(39,602)
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Net cash inflow from operating activities		536,736	349,544
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CASH FLOWS FROM INVESTING ACTIVITIES			
Deposits paid for acquisition of fixed assets		(10,742)	(31,761)
Purchases of fixed assets		(671,142)	(478,547)
Proceeds from disposal of fixed assets		7,784	—
Refund on costs of fixed assets		—	2,984
Acquisition of a subsidiary	29(a)	(46,506)	—
Advances to jointly-controlled entities		(5,971)	(1,370)
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Net cash outflow from investing activities		(726,577)	(508,694)

32 Consolidated Cash Flow Statement (continued)

Year ended 31 December 2003

	<i>Notes</i>	2003 HK\$'000	2002 HK\$'000
CASH FLOWS FROM FINANCING ACTIVITIES			
Related fees paid for the banking facilities granted	17	(10,850)	—
Inception of new bank loans		1,022,980	554,635
Repayment of bank loans		(456,015)	(326,093)
Repayment of other loans		(31,403)	—
Repayment to a minority shareholder		(6,537)	(36,235)
Capital contribution from minority shareholders of subsidiaries		33,347	—
Proceeds from exercise of share options	26	88,158	84,730
Interest paid	8	(35,161)	(25,787)
Dividends paid		(79,144)	(59,789)
Dividends paid to minority shareholders		(32,430)	(10,739)
Net cash inflow from financing activities		492,945	180,722
NET INCREASE IN CASH AND CASH EQUIVALENTS		303,104	21,572
Cash and cash equivalents at beginning of year		432,967	411,395
CASH AND CASH EQUIVALENTS AT END OF YEAR		736,071	432,967
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	20	658,481	242,090
Non-pledged time deposits with original maturity of less than three months when acquired	20	77,590	190,877
		736,071	432,967