

Consolidated Cash Flow Statement

For the Year Ended 31st December, 2003

| Notes | 2003 HK\$'000 | 2002 HK\$'000 |
|---|------------------|------------------|
| OPERATING ACTIVITIES | | |
| Profit from operations | 138,014 | 91,439 |
| Adjustments for: | | |
| Interest income | (10,778) | (7,592) |
| Dividend income from investments in securities | (40) | (17) |
| Depreciation | 29,681 | 22,616 |
| Loss on disposal of property, plant and equipment | 365 | 80 |
| Gain on disposal of investment securities | (2,777) | (247) |
| (Gain) loss on disposal of other investments | (18) | 1,358 |
| (Surplus) deficit arising on revaluation of land and buildings | (1,471) | 4,867 |
| (Surplus) deficit arising on revaluation of investment properties | (3,500) | 15,500 |
| (Reversal) impairment loss on investment securities | (198) | 2,110 |
| Allowance for bad and doubtful debts | 3,645 | 3,850 |
| Impairment loss on property, plant and equipment | 26,089 | – |
| Amortisation of goodwill of a subsidiary | 139 | – |
| Operating cash flow before movements in working capital | 179,151 | 133,964 |
| Increase in inventories | (26,507) | (7,331) |
| Increase in trade and other receivables | (43,001) | (83,711) |
| (Decrease) increase in trade and other payables | (6,988) | 53,883 |
| Cash generated from operations | 102,655 | 96,805 |
| Interest paid | (2) | (17) |
| Hong Kong Profits Tax paid | (10,822) | (3,534) |
| Overseas tax paid | (1,270) | (24) |
| NET CASH FROM OPERATING ACTIVITIES | 90,561 | 93,230 |
| INVESTING ACTIVITIES | | |
| Interest received | 10,778 | 7,364 |
| Dividends received from investments in securities | 40 | 17 |
| Dividends received from a jointly controlled entity | 140,791 | – |
| Proceeds from disposal of property, plant and equipment | 537 | 633 |
| Proceeds from disposal of investment in securities | 21,114 | 10,741 |
| Repayment from a jointly controlled entity | 39,028 | 3,900 |
| Purchases of property, plant and equipment | (63,443) | (29,572) |
| Acquisition of a subsidiary (net of cash and cash equivalents acquired) | (16,222) | – |
| 25 | | |
| Purchases of investments in securities | (27,327) | (2,340) |
| Increase in long term deposits | – | (45,443) |
| NET CASH FROM (USED IN) INVESTING ACTIVITIES | 105,296 | (54,700) |

Consolidated Cash Flow Statement

For the Year Ended 31st December, 2003

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| | 2003 HK\$'000 | 2002 HK\$'000 |
|---|--------------------------------|------------------|
| FINANCING ACTIVITIES | | |
| Dividends paid | (55,323) | (12,490) |
| Proceeds from issue of shares | 97,580 | – |
| NET CASH FROM (USED IN) FINANCING ACTIVITIES | 42,257 | (12,490) |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 238,114 | 26,040 |
| CASH AND CASH EQUIVALENTS BROUGHT FORWARD | 127,013 | 100,670 |
| EFFECT OF FOREIGN EXCHANGE RATE CHANGES | (335) | 303 |
| CASH AND CASH EQUIVALENTS CARRIED FORWARD | 364,792 | 127,013 |