Year ended 31 December 2003

CASH FLOWS FROM OPERATING ACTIVITIES     Profit before tax   141,623   95,894     Adjustments for:		Notes	2003 HK\$′000	2002 HK\$′000
Profit before tax   141,623   95,894     Adjustments for:   -   4,437     Interest income   5   (6,201)   (1,261)     Discourt on acquisition of amounts due to a minority equityholder   -   4,437     of subsidiaries   5   (4,338)   -     Negative goodwill recognised as income   5   (221)   -     Gein on disposal of a subsidiary   5   -   (2,388)     Depreciation   6   79,048   82,479     Amortisation of reusable packaging materials   6   8,896   6,667     Write-off of fixed assets   6   4,257   -     Loss on disposal of fixed assets, net   6   -   2,059     Impairment of an investment security				
Adjustments for:   -   4,437     Interest income   5   (6,201)   (1,261)     Discount on acquisition of amounts due to a minority equityholder   5   (4,338)   -     of subsidiaries   5   (4,338)   -   (2,211)   -     Gain on disposal of a subsidiary   5   -   (2,389)   -   (2,389)   -   (2,389)   -   -   (2,389)   -   -   (2,389)   -   -   (2,389)   -   -   (2,389)   -   -   (2,389)   -   -   (2,389)   -   -   (2,389)   -   -   (2,389)   -   -   (2,389)   -   -   (2,389)   -   -   (2,389)   -   -   (2,389)   -   -   (2,389)   -   -   (2,389)   -   -   (2,589)   -   -   (2,589)   -   -   (2,597)   -   -   -   (2,597)   -   -   4,611   -   2,059   -   -   (3,592)   -   -   4,611   -   -   -   1,611   - <td></td> <td></td> <td></td> <td></td>				
Share of loss of an associate   -   4,37     Interest income   5   (6,201)   (1,261)     Discount on acquisition of amounts due to a minority equityholder   -   (4,338)   -     of subsidiaries   5   (4,338)   -   (2,21)   -     Cain on disposal of a subsidiary   5   -   (2,389)   -   (2,389)     Depreciation   6   79,048   82,479   Amortisation of reusable packaging materials   6   8,896   6,667     Write-off of fixed assets, net   6   4,257   -   2,059     Impoirment of an investment security   -   4,611     Operating profit before working capital changes   223,064   192,498     Increase in inventories   (4,042)   (4,048)     Decrease in trade receivables   11,893   (3,883)     Increase in propayments, deposits and other receivables   11,893   (3,883)     Increase in other payables   (6,649)   6,399     Increase in other payables and accruals   16,115   14,540     Increase in an amount due to a fellow subsidiary   16,965   (8,612)     Cash generated from operations	Profit before tax		141,623	95,894
Interest income5(6,201)(1,261)Discount on acquisition of amounts due to a minority equityholder5(4,338)of subsidiaries5(221)Gain on disposal of a subsidiary5-(2,388)Depreciation679,04882,479Amortisation of reusable packaging materials68,8966,667Write-off of fixed assets64,257Loss on disposal of fixed assets, net6-2,059Impairment of an investment security4,611Operating profit before working capital changes223,064192,498Increase in inventories(4,342)(4,048)Decrease in trade receivables(1,893)(3,833)Increase in prepayments, deposits and other receivables(1,893)(3,833)Increase in order poyables(6,649)6,399Increase in order poyables2,467842Increase in order poyables16,11514,540Increase in one poyables and accruals16,11514,540Increase in a mount due to a fellow subsidiary2,51,486208,954Interest received5,4731,261Hong Kong profits tax paid(1,026)(14,726)Dividends paid11(25,004)(25,000)Dividends paid11(25,004)(25,000)Dividends paid to a minority equityholder of subsidiaries28(a)(3,759)(2,5000)(2,5000)(-Dividends paid to a minority equityholder of su				
Discount on acquisition of amounts due to a minority equityholder   5   (4,338)      of subsidiaries   5   (221)      Gain on disposal of a subsidiary   5   -   (2,388)     Depreciation   6   79,048   82,479     Amortisation of reusable packaging materials   6   8,896   6,667     Write-off of fixed assets   6   4,257   -     Loss on disposal of fixed assets, net   6   -   2,059     Impairment of an investment security   -   4,611     Operating profit before working capital changes   223,064   192,498     Increase in inventories   (4,342)   (4,048)     Decrease in prepayments, deposits and other receivables   (1,893)   (3,883)     Increase in prepayments, deposits and other receivables   (1,893)   (3,883)     Increase in other payable   2,467   842     Increase in other payable   2,467   842     Increase in other payables   16,115   14,540     Increase in other payables   16,115   14,540     Increase in an anount due to a fellow subsidiary   16,965   (8,612) <tr< td=""><td>Share of loss of an associate</td><td></td><td>-</td><td>4,437</td></tr<>	Share of loss of an associate		-	4,437
of subsidiaries5(4,338)Negative goodwill recognised as income5(221)Gain an disposal of a subsidiary5(2,388)Depreciation679,04882,479Amortisation of reusable packaging materials68,8966,667Write-off of fixed assets64,257Loss on disposal of fixed assets, net6-2,059Impairment of an investment security4,611Operating profit before working capital changes223,064192,498Increase in inventories(4,342)(4,048)Decrease in trade receivables(1,893)(3,883)Increase in prepayments, deposits and other receivables(6,649)6,399Increase in other payables16,11514,540Increase in other payables16,11514,540Increase in other payables and accruals16,11514,540Increase in other payables and accruals16,11514,540Increase in other payables and accruals16,965(8,612)Cash generated from operations251,486208,954Interest received5,4731,261Hong Kong profits tax paid(10,026)(14,726)Dividends paid11(25,004)(25,000)Dividends paid11(25,004)(25,000)Dividends paid to a minority equityholder of subsidiaries28(a)-(3,769)	Interest income	5	(6,201)	(1,261)
Negative goodwill recognised as income5(221)Gain on disposal of a subsidiary5(2,388)Depreciation679,04882,479Amortisation of reusable packaging materials68,8966,667Write-off of fixed assets64,257Loss on disposal of fixed assets, net62,059Impairment of an investment security4,611Operating profit before working capital changes223,064192,498Increase in inventories(4,342)(4,048)Decrease in trade receivables(1,893)(3,883)Increase in prepayments, deposits and other receivables(1,893)(3,883)Increase in other payables(6,649)6,399Increase in other payables and accruals16,11514,540Increase in other payables and accruals16,11514,540Increase in an amount due to the immediate holding company16,965(8,612)Cash generated from operations251,486208,954Interest received5,4731,261Hong Kong profits tax paid(10,026)(14,726)Dividends paid11(25,004)(25,000)Dividends paid11(25,004)(25,000)Dividends paid to a minority equityholder of subsidiaries28(a)Operations28(a)(3,769)	Discount on acquisition of amounts due to a minority equityholder			
Gain an disposal of a subsidiary5-(2,388)Depreciation679,04882,479Amortisation of reusable packaging materials68,8966,667Write-off of fixed assets64,257-Loss on disposal of fixed assets, net6-2,059Impairment of an investment security-4,611Operating profit before working capital changes223,064192,498Increase in inventories(4,342)(4,048)Decrease in trade receivables(1,893)(3,883)Increase in prepayments, deposits and other receivables(1,893)(3,883)Increase in vAT payable2,467842Increase in other payables and accruals16,11514,540Increase in an amount due to the immediate holding company16,965(8,612)Cash generated from operations251,486208,954Interest received5,4731,261Hong Kong profits tax poid(1),026)(14,726)Dividends paid11(25,004)(25,000)Dividends paid11(25,004)(25,000)	of subsidiaries	5	(4,338)	—
Depreciation679,04882,479Amortisation of reusable packaging materials68,8966,667Write-off of fixed assets64,257Loss on disposal of fixed assets, net6-2,059Impairment of an investment security4,611Operating profit before working capital changes223,064192,498Increase in inventories(4,342)(4,048)Decrease in trade receivables(1,893)(3,883)Increase in prepayments, deposits and other receivables(1,893)(3,883)Increase in other payables(6,649)6,399Increase in other payables16,11514,540Increase in other payables16,11514,540Increase in other payables and accruals16,11514,540Increase in a amount due to the immediate holding company2,319Increase/(decrease) in amount due to a fellow subsidiary251,486208,954Cash generated from operations251,486208,954Interest received5,4731,261Hong Kong profits tax paid(10,026)(14,726)Dividends paid11(25,004)(25,000)Dividends paid to a minority equityholder of subsidiaries28(a)(3,769)(2,5000)-(3,769)	Negative goodwill recognised as income	5	(221)	—
Amortisation of reusable packaging materials68,8966,667Write-off of fixed assets64,257-Loss on disposal of fixed assets, net6-2,059Impairment of an investment security-4,611Operating profit before working capital changes223,064192,498Increase in inventories(4,342)(4,048)Decrease in inventories(4,342)(4,048)Increase in prepayments, deposits and other receivables(1,893)(3,883)Increase (Idecrease) in trade payables(6,649)6,399Increase in other payables and acruals16,11514,540Increase in other payables and acruals16,11514,540Increase in a amount due to the immediate holding company2,319-Increase in a amount due to a fellow subsidiary16,965(8,612)Cash generated from operations251,486208,954Interest received5,4731,261Hong Kong profits tax paid(10,026)(14,726)Dividends paid11(25,004)(25,000)Dividends paid to a minority equityholder of subsidiaries28(a)-(3,769)	Gain on disposal of a subsidiary	5	-	(2,388)
Write-off of fixed assets64,257-Loss on disposal of fixed assets, net6-2,059Impairment of an investment security-4,611Operating profit before working capital changes223,064192,498Increase in inventories(4,342)(4,048)Decrease in trade receivables(1,893)(3,883)Increase in prepayments, deposits and other receivables(1,893)(3,883)Increase (Idecrease) in trade payables(6,649)6,399Increase in other payables16,11514,540Increase in other payables and accruals16,11514,540Increase (Idecrease) in amount due to the immediate holding company2,319-Increase /(decrease) in amount due to a fellow subsidiary251,486208,954Interest received5,4731,261Hong Kong profits tax paid(10,026)(14,726)Dividends paid11(25,004)(25,000)Dividends paid11(25,004)(25,000)Dividends paid to a minority equityholder of subsidiaries28(a)-(3,769)	Depreciation	6	79,048	82,479
Loss on disposal of fixed assets, net6-2,059Impairment of an investment security-4,611Operating profit before working capital changes223,064192,498Increase in inventories(4,342)(4,048)Decrease in trade receivables3,44011,218Increase in prepayments, deposits and other receivables(1,893)(3,883)Increase (decrease) in trade payables(6,649)6,399Increase in VAT payable2,467842Increase in other payables and accruals16,11514,540Increase (decrease) in amount due to the immediate holding company2,319Increase/(decrease) in amount due to a fellow subsidiary16,965(8,612)Cash generated from operations251,486208,954Interest received5,4731,261Hong Kong profits tax paid(10,026)(14,726)Dividends paid11(25,004)(25,000)Dividends paid11(25,004)(25,000)Dividends paid to a minority equityholder of subsidiaries28(a)(3,769)-(3,769)-	Amortisation of reusable packaging materials	6	8,896	6,667
Impairment of an investment security—4,611Operating profit before working capital changes223,064192,498Increase in inventories(4,342)(4,048)Decrease in trade receivables3,44011,218Increase in prepayments, deposits and other receivables(1,893)(3,883)Increase in VAT payable2,467842Increase in other payables and accruals16,11514,540Increase in other payables and accruals16,155(8,612)Cash generated from operations251,486208,954Interest received5,4731,261Hong Kong profits tax paid(10,026)(14,726)Dividends paid11(25,000)11Dividends paid to a minority equityholder of subsidiaries28(a)—Or substantiation11(25,000)25,000)	Write-off of fixed assets	6	4,257	—
Operating profit before working capital changes223,064192,498Increase in inventories(4,342)(4,048)Decrease in trade receivables3,44011,218Increase in prepayments, deposits and other receivables(1,893)(3,883)Increase/(decrease) in trade payables(6,649)6,399Increase in VAT payable2,467842Increase in other payables and accruals16,11514,540Increase in other payables and accruals16,11514,540Increase in a amount due to the immediate holding company2,319Increase/(decrease) in amount due to a fellow subsidiary16,965(8,612)Cash generated from operations251,486208,954Interest received5,4731,261Hong Kong profits tax paid(10,026)(14,726)Dividends paid11(25,000)(25,000)Dividends paid to a minority equityholder of subsidiaries28(a)(3,769)1.7691.769	Loss on disposal of fixed assets, net	6	—	2,059
Increase in inventories(4,342)(4,048)Decrease in trade receivables3,44011,218Increase in prepayments, deposits and other receivables(1,893)(3,883)Increase/(decrease) in trade payables(6,649)6,399Increase in VAT payable2,467842Increase in other payables and accruals16,11514,540Increase in a amount due to the immediate holding company2,319-Increase/(decrease) in amount due to a fellow subsidiary16,965(8,612)Cash generated from operations251,486208,954Interest received5,4731,261Hong Kong profits tax paid(10,026)(14,726)Dividends paid11(25,000)(25,000)Dividends paid to a minority equityholder of subsidiaries28(a)-(3,769)	Impairment of an investment security			4,611
Decrease in trade receivables3,44011,218Increase in prepayments, deposits and other receivables(1,893)(3,883)Increase/(decrease) in trade payables(6,649)6,399Increase in VAT payable2,467842Increase in other payables and accruals16,11514,540Increase in an amount due to the immediate holding company2,319Increase/(decrease) in amount due to a fellow subsidiary16,965(8,612)Cash generated from operations251,486208,954Interest received5,4731,261Hong Kong profits tax paid(10,026)(14,726)Dividends paid to a minority equityholder of subsidiaries28(a)(3,769)(25,000)(3,769)	Operating profit before working capital changes		223,064	192,498
Increase in prepayments, deposits and other receivables(1,893)(3,883)Increase (decrease) in trade payables(6,649)6,399Increase in VAT payable2,467842Increase in other payables and accruals16,11514,540Increase in an amount due to the immediate holding company2,319Increase/(decrease) in amount due to a fellow subsidiary16,965(8,612)Cash generated from operations251,486208,954Interest received5,4731,261Hong Kong profits tax paid(10,026)(14,726)Dividends paid11(25,004)(25,000)Dividends paid to a minority equityholder of subsidiaries28(a)(3,769)	Increase in inventories		(4,342)	(4,048)
Increase/(decrease) in trade payables(6,649)6,399Increase in VAT payable2,467842Increase in other payables and accruals16,11514,540Increase in an amount due to the immediate holding company2,319Increase/(decrease) in amount due to a fellow subsidiary16,965(8,612)Cash generated from operations251,486208,954Interest received5,4731,261Hong Kong profits tax paid(10,026)(14,726)Dividends paid11(25,004)(25,000)Dividends paid to a minority equityholder of subsidiaries28(a)(3,769)	Decrease in trade receivables		3,440	11,218
Increase in VAT payable2,467842Increase in other payables and accruals16,11514,540Increase in an amount due to the immediate holding company2,319-Increase/(decrease) in amount due to a fellow subsidiary16,965(8,612)Cash generated from operations251,486208,954Interest received5,4731,261Hong Kong profits tax paid(3,973)(2,456)Mainland China enterprise income tax paid11(25,004)(25,000)Dividends paid to a minority equityholder of subsidiaries28(a)-(3,769)	Increase in prepayments, deposits and other receivables		(1,893)	(3,883)
Increase in other payables and accruals16,11514,540Increase in an amount due to the immediate holding company Increase/(decrease) in amount due to a fellow subsidiary2,319Cash generated from operations251,486208,954Interest received5,4731,261Hong Kong profits tax paid(3,973)(2,456)Mainland China enterprise income tax paid11(25,004)Dividends paid to a minority equityholder of subsidiaries28(a)(3,769)(3,769)(3,769)	Increase/(decrease) in trade payables		(6,649)	6,399
Increase in an amount due to the immediate holding company Increase/(decrease) in amount due to a fellow subsidiary2,319Cash generated from operations251,486208,954Interest received5,4731,261Hong Kong profits tax paid(3,973)(2,456)Mainland China enterprise income tax paid11(25,004)Dividends paid11(25,000)(3,769)	Increase in VAT payable		2,467	842
Increase/(decrease) in amount due to a fellow subsidiary16,965(8,612)Cash generated from operations251,486208,954Interest received5,4731,261Hong Kong profits tax paid(3,973)(2,456)Mainland China enterprise income tax paid11(10,026)(14,726)Dividends paid11(25,004)(25,000)Dividends paid to a minority equityholder of subsidiaries28(a)—(3,769)	Increase in other payables and accruals		16,115	14,540
Cash generated from operations251,486208,954Interest received5,4731,261Hong Kong profits tax paid(3,973)(2,456)Mainland China enterprise income tax paid(10,026)(14,726)Dividends paid11(25,004)(25,000)Dividends paid to a minority equityholder of subsidiaries28(a)–(3,769)	Increase in an amount due to the immediate holding company		2,319	—
Interest received5,4731,261Hong Kong profits tax paid(3,973)(2,456)Mainland China enterprise income tax paid(10,026)(14,726)Dividends paid11(25,004)(25,000)Dividends paid to a minority equityholder of subsidiaries28(a)—(3,769)	Increase/(decrease) in amount due to a fellow subsidiary		16,965	(8,612)
Hong Kong profits tax paid(3,973)(2,456)Mainland China enterprise income tax paid(10,026)(14,726)Dividends paid11(25,004)(25,000)Dividends paid to a minority equityholder of subsidiaries28(a)—(3,769)	Cash generated from operations		251,486	208,954
Mainland China enterprise income tax paid(10,026)(14,726)Dividends paid11(25,004)(25,000)Dividends paid to a minority equityholder of subsidiaries28(a)—(3,769)	Interest received		5,473	1,261
Dividends paid11(25,004)(25,000)Dividends paid to a minority equityholder of subsidiaries28(a)—(3,769)	Hong Kong profits tax paid		(3,973)	(2,456)
Dividends paid to a minority equityholder of subsidiaries 28(a) <u>(3,769)</u>	Mainland China enterprise income tax paid		(10,026)	(14,726)
	Dividends paid	11	(25,004)	(25,000)
Net cash inflow from operating activities — page 35 <b>217,956</b> 164,264	Dividends paid to a minority equityholder of subsidiaries	28(a)		(3,769)
	Net cash inflow from operating activities — page 35		217,956	164,264

Year ended 31 December 2003

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Notes	2003 HK\$′000	2002 HK\$′000
Net cash inflow from operating activities — page 34	217,956	164,264
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of fixed assets 13	(20,676)	(9,596)
Purchases of reusable packaging materials	(16,424)	(16,478)
Acquisition of minority interests	(14,654)	—
Proceeds from disposal of fixed assets	424	38
Disposal of a subsidiary 28(b)	—	20,000
Repayment of other receivable arising from disposal of a subsidiary		
in prior year	7,772	—
Interest received on other receivable arising from disposal of		
a subsidiary in prior year	728	
Net cash outflow from investing activities	(42,830)	(6,036)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital 25	321	_
Repayment of amounts due to minority equityholders of subsidiaries	(59,453)	_
Net cash outflow from financing activities	(59,132)	
NET INCREASE IN CASH AND CASH EQUIVALENTS	115,994	158,228
Cash and cash equivalents at beginning of year	232,734	74,579
Effect of foreign exchange rate changes, net	(1,060)	(73)
CASH AND CASH EQUIVALENTS AT END OF YEAR	347,668	232,734
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances 19	272,476	232,734
Non-pledged time deposits with original maturity of less than three		
months when acquired 19	75,192	
	347,668	232,734