

Year ended 31 December 2003

|   | Notes | 2003<br>HK\$'000 | 2002<br>HK\$'000 |
|---|-------|------------------|------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                       |       |                  |                  |
| Profit before tax   |       | <b>141,623</b>   | 95,894           |
| Adjustments for:  |       |                  |                  |
| Share of loss of an associate   |       | —                | 4,437            |
| Interest income   | 5     | <b>(6,201)</b>   | (1,261)          |
| Discount on acquisition of amounts due to a minority equityholder of subsidiaries | 5     | <b>(4,338)</b>   | —                |
| Negative goodwill recognised as income  | 5     | <b>(221)</b>     | —                |
| Gain on disposal of a subsidiary  | 5     | —                | (2,388)          |
| Depreciation  | 6     | <b>79,048</b>    | 82,479           |
| Amortisation of reusable packaging materials                                      | 6     | <b>8,896</b>     | 6,667            |
| Write-off of fixed assets   | 6     | <b>4,257</b>     | —                |
| Loss on disposal of fixed assets, net   | 6     | —                | 2,059            |
| Impairment of an investment security  |       | —                | 4,611            |
| Operating profit before working capital changes                                   |       | <b>223,064</b>   | 192,498          |
| Increase in inventories   |       | <b>(4,342)</b>   | (4,048)          |
| Decrease in trade receivables   |       | <b>3,440</b>     | 11,218           |
| Increase in prepayments, deposits and other receivables                           |       | <b>(1,893)</b>   | (3,883)          |
| Increase/(decrease) in trade payables   |       | <b>(6,649)</b>   | 6,399            |
| Increase in VAT payable   |       | <b>2,467</b>     | 842              |
| Increase in other payables and accruals   |       | <b>16,115</b>    | 14,540           |
| Increase in an amount due to the immediate holding company                        |       | <b>2,319</b>     | —                |
| Increase/(decrease) in amount due to a fellow subsidiary                          |       | <b>16,965</b>    | (8,612)          |
| Cash generated from operations  |       | <b>251,486</b>   | 208,954          |
| Interest received   |       | <b>5,473</b>     | 1,261            |
| Hong Kong profits tax paid  |       | <b>(3,973)</b>   | (2,456)          |
| Mainland China enterprise income tax paid   |       | <b>(10,026)</b>  | (14,726)         |
| Dividends paid  | 11    | <b>(25,004)</b>  | (25,000)         |
| Dividends paid to a minority equityholder of subsidiaries                         | 28(a) | —                | (3,769)          |
| Net cash inflow from operating activities — page 35                               |       | <b>217,956</b>   | 164,264          |

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|---|-------|-----------------------|------------------|
| Net cash inflow from operating activities — page 34                                       |       | <u>217,956</u>        | <u>164,264</u>   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>   |       |                       |                  |
| 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  |       | <u>(42,830)</u>       | <u>(6,036)</u>   |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>   |       |                       |                  |
| 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  |       | <u>(59,132)</u>       | <u>—</u>         |
| NET INCREASE IN CASH AND CASH EQUIVALENTS   |       | <b>115,994</b>        | 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  |       | <u><b>347,668</b></u> | <u>232,734</u>   |
| <b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>                                  |       |                       |                  |
| 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                | —                |
|   |       | <u><b>347,668</b></u> | <u>232,734</u>   |