

Consolidated Cash Flow Statement

For the year ended 31 December 2004
(Expressed in Hong Kong dollars)

Note	2004 \$'000	2003 \$'000
Operating activities		
Profit from ordinary activities before taxation	241,551	220,758
Adjustments for:		
– Depreciation	82,727	81,405
– Amortisation of intangible assets	7,494	6,568
– Finance costs	20,170	18,193
– Interest income	(4,273)	(3,780)
– Loss on disposal of fixed assets	931	1,769
– Loss on disposal of investment	–	485
– Compensation income from disposal of petrol stations	–	(2,971)
Operating profit before changes in working capital	348,600	322,427
(Increase)/decrease in inventories	(238,953)	56,666
(Increase)/decrease in trade and other receivables	(69,798)	51,840
Decrease/(increase) in amounts due from holding companies and fellow subsidiaries	175,920	(102,581)
Increase/(decrease) in trade and other payables	46,467	(115,457)
Increase in amounts due to holding companies and fellow subsidiaries	15,957	8,304
Cash generated from operations	278,193	221,199
Tax paid		
Hong Kong profits tax paid	–	–
PRC income tax paid	(21,881)	(21,131)
Net cash from operating activities carried forward	256,312	200,068

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	Note	2004		2003	
		\$'000	\$'000	\$'000	\$'000
Net cash from operating activities brought forward			256,312		200,068
Cash flows from investing activities					
Payment for purchase of fixed assets		(162,619)		(128,639)	
Proceeds from disposal of fixed assets		4,733		13,140	
Proceeds from disposal of intangible assets		-		4,613	
Proceed from termination of petrol stations		-		-	
Payment for purchase of subsidiaries (net of cash acquired)	27	(61,807)		(30,500)	
Interest received		4,273		3,780	
Net cash used in investing activities			(215,420)		(137,606)
Cash flow from financing activities					
Proceeds from new bank loans		3,640,962		1,373,713	
Repayment of bank loans		(3,567,872)		(1,405,946)	
Dividends paid		(31,104)		(31,104)	
Dividends paid by a subsidiary to a minority shareholder		(18,484)		(32,521)	
New contribution from minority shareholders		18,195		4,207	
Interest paid		(20,170)		(18,193)	
Repayment of loans from holding company and fellow subsidiary		(165,423)		-	
Net cash used in financing activities			(143,896)		(109,844)
Net decrease in cash and cash equivalents			(103,004)		(47,382)
Cash and cash equivalents at 1 January			221,104		268,279
Effect of foreign exchange rate changes			(387)		207
Cash and cash equivalents at 31 December	18		117,713		221,104

The notes on pages 24 to 53 form part of these financial statements.