

20. TRADE AND BILLS RECEIVABLES (.../Cont'd)

An aged analysis of the trade and bills receivables of the Group and the Company as at the balance sheet date, based on the invoice date, is as follows:

	Group			
	2008		2007	
	Balance	Percentage	Balance	Percentage
	RMB'000	%	RMB'000	%
1 – 3 months	716,890	92	568,858	100
4 – 6 months	63,548	8	8	–
7 – 9 months	1,557	–	–	–
10 – 12 months	2,547	–	–	–
1 – 2 years	–	–	66	–
	<u>784,542</u>	<u>100</u>	<u>568,932</u>	<u>100</u>
Provision for doubtful debts	–		(9,495)	
Trade and bills receivables, net	<u>784,542</u>		<u>559,437</u>	

	Company			
	2008		2007	
	Balance	Percentage	Balance	Percentage
	RMB'000	%	RMB'000	%
1 – 3 months	612,413	91	513,346	100
4 – 6 months	61,695	9	–	–
7 – 9 months	318	–	–	–
10 – 12 months	–	–	–	–
1 – 2 years	–	–	–	–
	<u>674,426</u>	<u>100</u>	<u>513,346</u>	<u>100</u>
Provision for doubtful debts	–		(7,556)	
Trade and bills receivables, net	<u>674,426</u>		<u>505,790</u>	

The Group normally allows an average credit period of 30 days to its major customers. In view of the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing.

20. TRADE AND BILLS RECEIVABLES (.../Cont'd)

The carrying amounts of the trade and bills receivables of the Group and the Company are denominated in the following currencies:

	Group		Company	
	2008	2007	2008	2007
	RMB'000	RMB'000	RMB'000	RMB'000
Usd	206,757	58,492	149,263	–
RMB	577,785	510,440	525,163	513,346
	<u>784,542</u>	<u>568,932</u>	<u>674,426</u>	<u>513,346</u>

21. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	Group		Company	
	2008	2007	2008	2007
	RMB'000	RMB'000	RMB'000	RMB'000
Prepayments	31,347	157,673	26,328	205,309
Deposits and other receivables	136,551	80,207	124,929	76,155
Due from fellow subsidiaries	58,002	–	50,975	–
Due from subsidiaries	–	–	2,647,645	2,742,835
	<u>225,900</u>	<u>237,880</u>	<u>2,849,877</u>	<u>3,024,299</u>

The carrying amounts of prepayments, deposits and other receivables approximate their fair values.

The carrying amounts of the prepayments, deposits and other receivables of the Group and Company are denominated in the following currencies:

	Group		Company	
	2008	2007	2008	2007
	RMB'000	RMB'000	RMB'000	RMB'000
Usd	51,294	173,260	1,879,159	2,284,088
RMB	160,844	62,877	958,402	740,108
Aud	4,528	1,413	3,172	130
Jpy	4,041	–	4,034	–
Eur	2,812	2	2,812	2
Hkd	1,059	357	976	–
Gbp	919	–	919	–
Others	403	(29)	403	(29)
	<u>225,900</u>	<u>237,880</u>	<u>2,849,877</u>	<u>3,024,299</u>

22. CASH AND CASH EQUIVALENTS

	Group		Company	
	2008	2007	2008	2007
	RMB'000	RMB'000	RMB'000	RMB'000
Cash and bank balances	<u>1,858,401</u>	<u>1,079,768</u>	<u>1,335,865</u>	<u>549,402</u>
Maximum exposure to credit risk	<u>1,858,401</u>	<u>1,079,768</u>	<u>1,335,865</u>	<u>549,402</u>

Cash at banks generate interest income at floating rates based on daily bank deposit rates. Short-term fixed deposits are deposited for various generate periods of between one day to three months depending on the immediate cash requirements of the Group, and interest income at the respective short-term fixed deposit rates. The carrying amounts of the cash and cash equivalents approximate their fair values. At the balance sheet date, the cash and bank balances of the Group denominated in US\$ amounted to approximately RMB539,000,000 (2007:RMB341,465,000).

Cash and cash equivalents are denominated in the following currencies:

	Group		Company	
	2008	2007	2008	2007
	RMB'000	RMB'000	RMB'000	RMB'000
Usd	539,000	341,465	160,220	74,906
RMB	1,318,028	709,328	1,174,585	473,672
Hkd	342	28,280	29	130
Eur	974	613	974	613
Gbp	51	76	51	76
Jpy	6	5	6	5
Aud	-	1	-	-
	<u>1,858,401</u>	<u>1,079,768</u>	<u>1,335,865</u>	<u>549,402</u>

23. TRADE PAYABLES

	Group		Company	
	2008	2007	2008	2007
	RMB'000	RMB'000	RMB'000	RMB'000
Trade payables	247,243	288,288	194,783	217,280
Due to subsidiaries	-	-	36,894	-
Due to fellow subsidiaries	<u>281,584</u>	<u>173,858</u>	<u>273,305</u>	<u>173,858</u>
	<u>528,827</u>	<u>462,146</u>	<u>504,982</u>	<u>391,138</u>

23. TRADE PAYABLES (.../Cont'd)

The carrying amount of trade payables approximate their fair values.

An aged analysis of trade payables as at the balance sheet date, base on the invoice date, is as follows:

	Group			
	2008		2007	
	Balance	Percentage	Balance	Percentage
	RMB'000	%	RMB'000	%
1 – 3 months	410,973	79	324,989	71
4 – 6 months	12,914	2	21,430	5
7 – 9 months	7,566	1	34,261	7
10 – 12 months	91,525	17	70,331	15
1 – 2 years	5,849	1	11,133	2
Over 2 years	–	–	2	–
	<u>528,827</u>	<u>100</u>	<u>462,146</u>	<u>100</u>

	Company			
	2008		2007	
	Balance	Percentage	Balance	Percentage
	RMB'000	%	RMB'000	%
1 – 3 months	400,925	80	266,083	68
4 – 6 months	6,888	1	17,268	4
7 – 9 months	4,681	1	31,856	8
10 – 12 months	86,741	17	64,796	17
1 – 2 years	5,747	1	11,133	3
Over 2 years	–	–	2	–
	<u>504,982</u>	<u>100</u>	<u>391,138</u>	<u>100</u>

The trade payables are non-interest-bearing and are normally settled in 1 – 3 months.

23. TRADE PAYABLES (.../Cont'd)

The trade payables are denominated in the following currencies:

	Group		Company	
	2008	2007	2008	2007
	RMB'000	RMB'000	RMB'000	RMB'000
Usd	201,563	105,629	198,892	81,546
RMB	307,417	347,238	286,413	309,592
Jpy	8,791	–	8,790	–
Aud	4,482	–	4,464	–
Gbp	2,756	–	2,756	–
Eur	2,465	–	2,465	–
Hkd	802	9,279	651	–
Others	551	–	551	–
	<u>528,827</u>	<u>462,146</u>	<u>504,982</u>	<u>391,138</u>

24. OTHER PAYABLES AND ACCRUALS – CURRENT PORTION

	Group		Company	
	2008	2007	2008	2007
	RMB'000	RMB'000	RMB'000	RMB'000
Accruals	145,085	108,117	142,333	108,354
Other payables	160,543	348,521	72,716	97,242
Due to subsidiaries	–	–	85	–
Due to fellow subsidiaries	15,318	21,095	74	–
	<u>320,946</u>	<u>477,733</u>	<u>215,208</u>	<u>205,596</u>

The carrying amount of other payables and accruals approximate their fair values.

Accruals and other liabilities are non-interest-bearing and are normally settled in 1 – 3 months.

24. OTHER PAYABLES AND ACCRUALS – CURRENT PORTION (.../Cont'd)

The carrying amounts of other payables and accruals of the Group and Company are denominated in the following currencies:

	Group		Company	
	2008	2007	2008	2007
	RMB'000	RMB'000	RMB'000	RMB'000
Usd	103,118	98,898	–	–
RMB	217,677	375,711	215,208	205,596
Hkd	–	1,906	–	–
Others	151	1,218	–	–
	<u>320,946</u>	<u>477,733</u>	<u>215,208</u>	<u>205,596</u>

25. DERIVATIVE FINANCIAL INSTRUMENTS

	Group			
	2008		2007	
	Assets	Liabilities	Assets	Liabilities
	RMB'000	RMB'000	RMB'000	RMB'000
Carried at fair value				
Cash flow hedges:				
– Interest rate swap agreements	–	(53,697)	–	–
– Cross currency swap agreements	54,273	–	17,610	–
	<u>54,273</u>	<u>(53,697)</u>	<u>17,610</u>	<u>–</u>

(a) Cross currency swap agreement

As at 31 December 2008, the Group held two cross currency swap agreements designated as cash flow hedges in respect of expected future JPY bank loans for which the Group has firm commitments.

The terms of the cross currency swap agreements have been negotiated to match the terms of the commitments. The cash flow hedges of the expected future JPY bank loans were assessed to be highly effective and a net gain of RMB45,318,000 was included in the hedging reserve as follows:

25. DERIVATIVE FINANCIAL INSTRUMENTS (.../Cont'd)

(a) Cross currency swap agreement (.../Cont'd)

	2008	2007
	RMB'000	RMB'000
Total fair value gains included in the hedging reserve	54,273	17,610
Deferred tax on fair value gains	<u>(8,955)</u>	<u>(3,872)</u>
Net gains on cash flow hedges of cross currency swap agreements	<u>45,318</u>	<u>13,738</u>

(b) Interest rate swap agreements

During the year 2008, the Group held two interest rate swap agreement, the total notional principal amount of the outstanding two interest rate swaps agreements was RMB732,304,608.

During the year 2008, the fixed interest rates were 4.40% per quarter and the floating rates of the bank loan were LIBOR + 0.42% or 0.45%. The gains or losses for the interest rate swap agreements during the year were as follows:

	2008	2007
	RMB'000	RMB'000
Total fair value losses included in the hedging reserve	(53,697)	-
Hedge loan interest included in finance cost	<u>(4,482)</u>	<u>-</u>
Total losses on cash flow hedges of interest rate swap agreement	<u>(58,179)</u>	<u>-</u>

26. CURRENT PORTION OF INTEREST-BEARING BANK AND OTHER BORROWINGS

	Note	Group		Company	
		2008	2007	2008	2007
		RMB'000	RMB'000	RMB'000	RMB'000
Current portion of					
bank and other borrowings	27	<u>920,948</u>	<u>721,825</u>	<u>778,422</u>	<u>83,600</u>

27. INTEREST-BEARING BANK AND OTHER BORROWINGS

	Annual Effective interest rate (%)	Maturity	Group		Company	
			2008 RMB'000	2007 RMB'000	2008 RMB'000	2007 RMB'000
Current	Libor+0.38%					
Secured	to 0.45%	2009	142,526	210,505	–	83,600
Unsecured	Floating rate or 4.779% to 5.500%	2009	778,422	511,320	778,422	–
			<u>920,948</u>	<u>721,825</u>	<u>778,422</u>	<u>83,600</u>
Non-current						
Secured	Libor+0.38% to 0.45%	2010–2020	2,781,121	1,700,001	–	142,500
Unsecured	Floating rate or 5.670% to 6.804%	2013	2,747,690	1,854,840	2,747,690	1,854,840
			<u>5,528,811</u>	<u>3,554,841</u>	<u>2,747,690</u>	<u>1,997,340</u>

	Group		Company	
	2008 RMB'000	2007 RMB'000	2008 RMB'000	2007 RMB'000
Analyzed into:				
Bank loans:				
Within one year or on demand	920,948	721,825	778,422	83,600
In the second year	1,288,566	1,316,857	594,355	41,800
In the third to fifth year, inclusive	2,967,057	945,135	2,153,335	945,135
Over five years	1,273,188	1,292,849	–	1,010,405
	<u>6,449,759</u>	<u>4,276,666</u>	<u>3,526,112</u>	<u>2,080,940</u>

27. INTEREST-BEARING BANK AND OTHER BORROWINGS (.../Cont'd)

The Group's bank loans are secured by pledges or mortgages of the Group's 4 vessels and another 7 vessels under construction with total net carrying amount of RMB3,948,717,000 at 31 December 2008.

The carrying amounts of the Group's and the Company's interest-bearing bank and other borrowings approximate their fair values.

Except for bank loans of RMB3,402,068,000 which are denominated in Usd, all borrowings are denominated in Renminbi.

28. DEFERRED TAX

The movements in deferred tax liabilities and assets during the year are as follows:

Deferred tax liabilities

Group

	Unremitted earnings	Cash flow hedge	Equity investments at fair value through profit or loss	Total
	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2008	196,220	3,082	45,800	245,102
Deferred tax charged to statement of changes in equity during the year	–	5,873	–	5,873
charged to the income statement during the year (note 10)	<u>138,886</u>	<u>–</u>	<u>(45,800)</u>	<u>93,086</u>
Deferred tax liabilities at 31 December 2008	<u>335,106</u>	<u>8,955</u>	<u>–</u>	<u>344,061</u>

28. DEFERRED TAX (.../Cont'd)

Company

	Equity investments at fair value through profit or loss RMB'000
At 1 January 2008	45,800
Deferred tax charged to the income statement during the year	<u>(45,800)</u>
Deferred tax liabilities at 31 December 2008	<u><u>–</u></u>

The movements in deferred tax liabilities and assets during the year are as follows:

Deferred tax liabilities

Group

	Unremitted earnings RMB'000	Available– for–sale investments RMB'000	Cash flow hedge RMB'000	Equity investments at fair value through profit or loss RMB'000	Total RMB'000
At 1 January 2007	67,147	32	183	12,720	80,082
Deferred tax charged to the income statement during the year (note 10)	<u>129,073</u>	<u>(32)</u>	<u>2,899</u>	<u>33,080</u>	<u>165,020</u>
Deferred tax liabilities at 31 December 2007	<u><u>196,220</u></u>	<u><u>–</u></u>	<u><u>3,082</u></u>	<u><u>45,800</u></u>	<u><u>245,102</u></u>

28. DEFERRED TAX (.../Cont'd)

Company

	Available –for–sale investments RMB'000	Equity investments at fair value through profit or loss RMB'000	Total RMB'000
At 1 January 2007	32	12,720	12,752
Deferred tax charged to the income statement during the year	<u>(32)</u>	<u>33,080</u>	<u>33,048</u>
Deferred tax liabilities at 31 December 2007	<u>–</u>	<u>45,800</u>	<u>45,800</u>

Deferred tax assets

	Group Deductible tax depreciation		Company Deductible tax depreciation	
	2008 RMB'000	2007 RMB'000	2008 RMB'000	2007 RMB'000
At 1 January	–	20,090	–	15,854
Deferred tax charged to the income statement during the year (note 10)	<u>–</u>	<u>(20,090)</u>	<u>–</u>	<u>(15,854)</u>
Deferred tax assets at 31 December	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

29. OTHER PAYABLES AND ACCRUALS – NON CURRENT PORTION

	Group		Company	
	2008	2007	2008	2007
	RMB'000	RMB'000	RMB'000	RMB'000
Provision for compensation	134,347	30,000	66,000	30,000
Others	43,000	24,000	43,000	24,000
	<u>177,347</u>	<u>54,000</u>	<u>109,000</u>	<u>54,000</u>

30. CONVERTIBLE BONDS

GROUP AND COMPANY	2008	2007
	RMB'000	RMB'000
Convertible bonds	<u>–</u>	<u>1,871,438</u>

Convertible bonds amounting to RMB2,000,000,000 were issued on 2 July 2007. The bonds are convertible into ordinary shares of the Company at anytime between six months after the date of issue of the bonds and their settlement date.

During the year, convertible bonds with a total face value of RMB1,988,173,000 had been converted into 78,552,270 ordinary shares of the Company at RMB25.31 per share. The remaining convertible bonds with a total face value of RMB11,827,000 have all be redeemed by the Company during the year.

31. LONG TERM RECEIVABLE

	Company	
	2008	2007
	RMB'000	RMB'000
Equity loan (Note)	<u>460,105</u>	<u>–</u>

Note: Equity loan to a subsidiary is unsecured, non-interest-bearing and has no fixed repayment term.

32. ISSUED CAPITAL

	Group and Company			
	2008	2008	2007	2007
	Number of		Number of	
	shares	RMB'000	shares	RMB'000
Registered, issued and fully paid:				
State-owned legal person shares/				
A shares of RMB1.00 each	–	–	1,578,500,000	1,578,500
Listed H shares of RMB1.00 each	1,296,000,000	1,296,000	1,296,000,000	1,296,000
Listed A shares of RMB1.00 each	2,030,000,000	2,030,000	451,500,000	451,500
Converted into Listed A shares of				
RMB1.00 each	78,552,270	78,552	–	–
	<u>3,404,552,270</u>	<u>3,404,552</u>	<u>3,326,000,000</u>	<u>3,326,000</u>

Convertible bonds amounting to RMB2,000,000,000 were issued on 2 July 2007 and since 2 January 2008 started conversion. Face value of RMB1,988,173,000 had been converted into 78,552,270 ordinary Listed A shares of the Company. The remaining convertible bonds with face value of RMB11,827,000 have been redeemed by the Company during the year. After the conversion, the total number of share is 3,404,552,270 shares.

At 30 December 2008, 1,578,500,000 ordinary shares with trading restriction held by China Shipping (Group) Company, were converted to Listed A shares without trading restriction. All of the 3,404,552,270 ordinary shares were circulated without trading restriction at the year end date.

33. RESERVES

	Group									
	Share premium	Convertible bonds equity reserve	Revaluation reserve	Statutory surplus reserve	General surplus reserve	Hedging reserve	Available-for-sale investment revaluation reserve	Translation reserve	Retained profits	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2007 (Restated)	2,037,884	-	168,829	1,675,926	93,158	861	182	(15,026)	4,319,639	8,281,453
Convertible bonds equity	-	109,177	-	-	-	-	-	-	-	109,177
Reallocation	-	-	-	(42,978)	-	-	-	-	42,978	-
Changes in fair value of available-for-sale investments	-	-	-	-	-	-	837	-	-	837
Transfers from/(to) reserves	-	-	-	372,450	-	-	-	-	(372,450)	-
Net gains on cash flow hedges	-	-	-	-	-	12,877	-	-	-	12,877
2006 Dividend paid to minority shareholders of subsidiary	-	-	-	-	-	-	-	-	(9,948)	(9,948)
2007 Proposed final dividend	-	-	-	-	-	-	-	-	(1,702,510)	(1,702,510)
Exchange realignment	-	-	-	-	-	-	-	(195,264)	-	(195,264)
Profit for the year	-	-	-	-	-	-	-	-	4,546,383	4,546,383
At 31 December 2007 and at 1 January 2008	2,037,884	109,177	168,829	2,005,398	93,158	13,738	1,019	(210,290)	6,824,092	11,043,005
Issue of new shares	-	-	-	-	-	-	-	-	-	-
- Converted convertible bonds	1,909,606	(109,177)	-	-	-	-	-	-	-	1,800,429
Transfer from/(to) reserves	-	-	-	461,057	-	-	-	-	(461,057)	-
Net loss on cash flow hedges	-	-	-	-	-	(22,064)	-	-	-	(22,064)
Release on 2007 Proposed final dividend	-	-	-	-	-	-	-	-	234	234
2008 Proposed final dividend	-	-	-	-	-	-	-	-	(1,021,366)	(1,021,366)
Exchange realignment	-	-	-	-	-	-	-	(245,146)	-	(245,146)
Profit for the year	-	-	-	-	-	-	-	-	5,373,010	5,373,010
At 31 December 2008	3,947,490	-	168,829	2,466,455	93,158	(8,326)	1,019	(455,436)	10,714,913	16,928,102

33. RESERVES (.../Cont'd)

	Company							Total
	Share premium	Revaluation reserve	Statutory surplus reserve	General surplus reserve	Available-for-sale investment revaluation reserve	Convertible bonds	Retained profits	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2007 (Restated)	2,037,884	165,665	1,664,905	93,158	182	-	4,001,232	7,963,026
Profit for the year	-	-	-	-	-	-	3,531,035	3,531,035
Transfers from/(to) reserves	-	-	372,450	-	-	-	(372,450)	-
Reallocation	-	-	(31,957)	-	-	-	31,957	-
Changes in fair value of available-for sale investments	-	-	-	-	837	-	-	837
2007 Proposed final dividend	-	-	-	-	-	-	(1,702,510)	(1,702,510)
Convertible bonds equity	-	-	-	-	-	109,177	-	109,177
At 31 December 2007 and 1 January 2008	2,037,884	165,665	2,005,398	93,158	1,019	109,177	5,489,264	9,901,565
Profit for the year	-	-	-	-	-	-	4,228,863	4,228,863
Issue of new shares	1,909,606	-	-	-	-	(109,177)	-	1,800,429
- Converted convertible bonds	-	-	461,057	-	-	-	(461,057)	-
Transfers from/(to) reserves	-	-	-	-	-	-	(1,021,366)	(1,021,366)
2008 Proposed final dividend	-	-	-	-	-	-	234	234
Release on 2007 Proposed final dividend	-	-	-	-	-	-	-	-
At 31 December 2008	3,947,490	165,665	2,466,455	93,158	1,019	-	8,235,938	14,909,725

In accordance with the Company Law of the PRC and the Company's articles of association, the Company is required to allocate 10% of its profit after tax, as determined in accordance with PRC GAAP and regulations applicable to the Company, to the statutory surplus reserve (the "SSR") until the SSR reaches 50% of the registered capital of the Company. Subject to certain restrictions set out in the Company Law of the PRC and the Company's articles of association, part of the SSR may be converted to increase share capital, provided that the remaining balance after capitalisation is not less than 25% of the registered capital.

33. RESERVES (.../Cont'd)

The directors have proposed to transfer RMB461,057,000 (2007: RMB372,450,000) to SSR, represents 10% (2007: 10%) of the Company's profit after tax of RMB4,610,575,000 (2007: RMB3,724,500,000), as determined in accordance with PRC GAAP. The transfer to the SSR is subject to shareholders' approval at the forthcoming annual general meeting.

According to the relevant regulations in the PRC, the reserves available for distribution is the lower of the amount determined under PRC GAAP and the amount determined under HK GAAP. On this basis, as at 31 December 2008, before the proposed final dividend, the Company had reserve of RMB9,257,304,000 (2007: RMB7,928,539,000) available for distribution as dividends.

In addition, in accordance with the Company Law of the PRC, an amount of approximately RMB3,947,490,000 (2007: RMB2,037,884,000) standing to the credit of the Company's share premium account was available for distribution by way of future capitalisation issues.

Share premium

Share premium arose from the issuance of shares at prices in excess of their par value.

Convertible bonds equity reserve

The difference between the proceeds of the issue of the convertible bond and the fair value assigned to the liability component, representing the call option for conversion of the bond into equity, is included in equity as convertible bonds equity reserve.

Revaluation reserve

The revaluation reserve has been accounted for in accordance with the accounting policies adopted for the measurement of the assets at fair value.

Statutory surplus reserve

The Company is required to transfer 10% of its net profit as determined in accordance with PRC Accounting Rules and Regulations to its statutory surplus reserve until the reserve balance reaches 50% of the registered capital. The transfer to this reserve must be before distribution of a dividend to shareholders.

33. RESERVES (.../Cont'd)

General surplus reserve

When the public welfare fund is utilized, an amount equal to the lower of either the cost of the assets and the balance of the public welfare fund is transferred from public welfare fund to the general surplus reserve.

Hedging reserve

Changes in the fair values of derivative financial instruments and hedged items are to be charged directly and transferred to hedging reserve.

Available–for–sale investment revaluation reserve

The available–for–sale investment revaluation reserve comprises the cumulative net change in the fair value of available–for–sale investments held at the balance sheet date.

Translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations and exchange differences on monetary items which form part of the Group's net investment in foreign operations, provided certain conditions are met.

34. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

Reconciliation of profit before tax to net cash inflow from operating activities:

	2008	2007
	RMB'000	RMB'000
Profit before tax	6,432,685	5,328,035
Adjustments for:		
Interest income	(25,617)	(34,513)
Depreciation and amortisation	1,038,878	1,000,854
Share of profits of jointly-controlled entities	(531,566)	(165,745)
Dividends receive from equity investment	(2,352)	(8,721)
Amortisation of deferred staff expenditure	-	45,333
(Reversal of impairment)/impairment for bad and doubtful debts	(8,161)	9,334
Impairment for property, plant and equipment	108,546	-
Gain on disposal of property, plant and equipment	(107,646)	(255,327)
Fair value loss on equity investments at fair value through profit or loss	169,269	-
Fair value gain on equity investments at fair value through profit or loss	-	(98,400)
Operating profit before working capital changes	<u>7,074,036</u>	<u>5,820,850</u>
Increase in trade and bills receivables	(216,944)	(159,110)
Decrease/(increase) in bunker oil inventories	13,361	(93,033)
Decrease in prepayments	126,326	629,910
(Increase)/decrease in deposits and other receivables	(56,344)	216,782
Increase in amounts due from fellow subsidiaries	(58,002)	-
(Decrease)/Increase in trade payables	(41,045)	312,852
Increase in accruals	36,968	112,546
Decrease in other liabilities	(64,631)	(574,387)
Increase/(decrease) in amounts due to fellow subsidiaries	101,949	(72,746)
Increase in amounts due to holding company	-	944
Decrease in amounts due to jointly-controlled entities	<u>-</u>	<u>(1,163)</u>
Cash generated from operation	6,915,674	6,193,445
Finance costs	84,074	237,823
Income tax paid	<u>(951,079)</u>	<u>(829,208)</u>
Net cash inflow from operating activities	<u><u>6,048,669</u></u>	<u><u>5,602,060</u></u>