

Consolidated Cash Flow Statement

Year ended 31 December 2003

	Notes	2003 HK\$'000	2002 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		173,234	135,586
Adjustments for:			
Finance costs	7	1,380	1,124
Share of profit of a jointly-controlled entity		(7,411)	–
Interest income	5	(2,652)	(2,024)
Dividend income from an unlisted investment	5	(6,791)	–
Depreciation	6	24,049	13,703
Amortisation of goodwill		1,182	732
Amortisation of intangible assets	6	474	153
Loss on disposal and write-off of fixed assets	6	902	633
Deficit on revaluation of leasehold buildings	14	712	–
Operating profit before working capital changes		185,079	149,907
Increase in inventories		(12,444)	(7,693)
(Increase)/decrease in trade receivables		(2,883)	4,704
Decrease/(increase) in other receivables		323	(2,169)
Decrease in amount due from a related company		16	–
(Decrease)/increase in trade payables		(3,013)	8,052
(Decrease)/increase in taxes payable other than profits tax		(3,247)	3,755
Increase in other payables and accruals		39,199	18,437
Increase in amounts due to related companies		4,388	–
Cash generated from operations		207,418	174,993
PRC profits tax paid		(17,929)	(15,317)
Net cash inflow from operating activities		189,489	159,676
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	5	2,652	2,024
Dividend received from an unlisted investment	5	6,791	5,189
Purchases of fixed assets and construction in progress	14	(42,893)	(66,720)
Purchases of intangible assets	15	(1,869)	(1,994)
Addition of deferred development costs	16	(11,024)	–
Proceeds from disposal of fixed assets		478	1,097
Acquisition of interest in a jointly-controlled entity		(74,904)	–
Acquisition of minority interests		15	1,272
Net cash outflow from investing activities		(120,754)	(59,132)

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Year ended 31 December 2003

	Notes	2003 HK\$'000	2002 HK\$'000
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital	30	8,880	36,600
Share issue expenses	32	–	(535)
New bank loans		–	80,095
Repayment of bank loans		(4,712)	(75,383)
Interest paid	7	(1,380)	(1,124)
Dividends paid		(46,480)	(45,000)
Dividends paid to minority shareholders		(46,890)	(33,673)
Proceeds from issue of a convertible bond	33	31,200	46,800
Repayment from a minority shareholder		–	325
Net cash (outflow)/inflow from financing activities		(59,382)	8,105
NET INCREASE IN CASH AND CASH EQUIVALENTS			
		9,353	108,649
Cash and cash equivalents at beginning of year		280,525	171,960
Effect of foreign exchange rate changes, net		(1,029)	(84)
CASH AND CASH EQUIVALENTS AT END OF YEAR		288,849	280,525
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	25	170,313	141,983
Time deposits with original maturity of less than three months when acquired	25	118,536	138,542
		288,849	280,525