

Consolidated cash flow statement

For the year ended 31 December 2003

(Expressed in Hong Kong dollars)

Note	2003		2002	
	\$'000	\$'000	\$'000	\$'000
Operating activities				
Profit from ordinary activities before taxation	220,758		231,144	
Adjustments for:				
– Depreciation	81,405		74,327	
– Amortisation of intangible assets	6,568		1,653	
– Finance costs	18,193		6,866	
– Interest income	(3,780)		(2,958)	
– Loss on disposal of fixed assets	1,769		2,700	
– Loss on disposal of investment	485		–	
– Compensation income from disposal of petrol stations	(2,971)		–	
Operating profit before changes in working capital	322,427		313,732	
Decrease/(increase) in inventories	56,666		(62,064)	
Decrease/(increase) in trade and other receivables	51,840		(56,303)	
Increase in amounts due from holding companies and fellow subsidiaries	(102,581)		(145,219)	
(Decrease)/increase in trade and other payables	(115,457)		124,103	
Increase/(decrease) in amounts due to holding companies and fellow subsidiaries	8,304		(42,227)	
Cash generated from operations	221,199		132,022	
Tax paid				
Hong Kong profits tax paid	–		(205)	
PRC income tax paid	(21,131)		(14,159)	
Net cash from operating activities carried forward		200,068		117,658

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Net cash from operating activities brought forward			200,068		117,658
Cash flows from investing activities					
Payment for purchase of fixed assets		(128,639)		(122,509)	
Proceeds from disposal of fixed assets		13,140		4,291	
Proceeds from disposal of intangible assets		4,613		–	
Payment for purchase of intangible assets		–		(4,033)	
Payment for purchase of subsidiaries (net of cash acquired)	29	(30,500)		(57,181)	
Interest received		3,780		2,958	
Net cash used in investing activities			(137,606)		(176,474)
Cash flow from financing activities					
Proceeds from new bank loans		1,373,713		1,421,309	
Repayment of bank loans		(1,405,946)		(1,287,617)	
Dividends paid		(31,104)		(31,104)	
Dividends paid by a subsidiary to a minority shareholder		(32,521)		(46,805)	
New contribution from minority shareholders		4,207		24,197	
Interest paid		(18,193)		(6,866)	
Repayment of loan from a fellow subsidiary		–		(1,869)	
Net cash (used in)/generated from financing activities carried forward			(109,844)		71,245

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Net cash (used in)/generated from financing activities brought forward			(109,844)		71,245
Net (decrease)/increase in cash and cash equivalents			(47,382)		12,429
Cash and cash equivalents at 1 January			268,279		254,405
Effect of foreign exchange rate changes			207		1,445
Cash and cash equivalents at 31 December	20		221,104		268,279

The notes on pages 26 to 57 form part of these financial statements.