

# Consolidated Cash Flow Statement

Year ended 31 December 2003

	Note	2003 HK\$'000	2002 HK\$'000 (Restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		<b>139,008</b>	160,071
Adjustments for:			
Finance costs	7	<b>50,541</b>	50,596
Interest income	6	<b>(756)</b>	(1,275)
Loss on disposal of fixed assets	6	<b>4,308</b>	3,649
Depreciation	6	<b>125,445</b>	97,311
Amortisation of intangible assets, other than goodwill and negative goodwill	6	<b>2,359</b>	2,362
Amortisation of goodwill	6	<b>8,173</b>	5,128
Amortisation of negative goodwill	6	<b>(68)</b>	—
Amortisation of reusable packaging materials	6	<b>20,639</b>	14,783
Provision for doubtful debts	6	<b>12,248</b>	2,695
Operating profit before working capital changes		<b>361,897</b>	335,320
Decrease/(increase) in inventories		<b>(25,422)</b>	1,360
Decrease/(increase) in accounts receivable		<b>39,631</b>	(20,558)
Decrease/(Increase) in prepayments, deposits and other debtors		<b>4,510</b>	(24,235)
Change in balances with joint venture partners of subsidiaries		<b>12,916</b>	60,789
Increase/(decrease) in accounts payable		<b>73,278</b>	(40,663)
Increase in accruals and other liabilities		<b>53,571</b>	10,091
Cash generated from operations		<b>520,381</b>	322,104
Interest received		<b>756</b>	1,275
PRC corporate income tax paid		<b>(43,249)</b>	(34,018)
Net cash inflow from operating activities		<b>477,888</b>	289,361
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchases of fixed assets		<b>(309,614)</b>	(142,996)
Proceeds from disposal of fixed assets		<b>15,448</b>	10,247
Acquisitions of subsidiaries	31(b)	<b>(30,744)</b>	(48,904)
Acquisition of additional interest in a subsidiary		<b>(12,960)</b>	—
Increase in deposits paid for purchases of fixed assets		<b>(45,920)</b>	(28,736)
Purchases of reusable packaging materials		<b>(31,058)</b>	(13,064)
Advances to a joint venture partner of a subsidiary		<b>(109,591)</b>	(48,597)
Decrease in pledged bank deposits		<b>—</b>	7,839
Capital contribution from a minority shareholder		<b>1,637</b>	—
Net cash outflow from investing activities		<b>(522,802)</b>	(264,211)

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<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of share capital	28	<b>143,813</b>	394,680
Share issue expenses	28	<b>(2,499)</b>	(49,409)
New bank loans		<b>599,075</b>	483,446
Repayment of bank loans		<b>(637,116)</b>	(521,013)
New other loans		<b>4,706</b>	5,340
Repayment of other loans		<b>(7,853)</b>	(38,289)
Repayment of amounts due to joint venture partners of subsidiaries		—	(82,536)
Repayment of loans from shareholders		—	(53,545)
Payment of deferred expenditure		—	(161)
Interest paid		<b>(47,677)</b>	(47,732)
Dividend paid		<b>(13,954)</b>	—
Dividend/distribution to minority shareholders of subsidiaries		<b>(21,344)</b>	(342)
Net cash inflow from financing activities		<b>17,151</b>	90,439
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>(27,763)</b>	115,589
Cash and cash equivalents at beginning of year		<b>168,346</b>	52,750
Effect of foreign exchange rates changes, net		<b>(744)</b>	7
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>139,839</b>	168,346
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances		<b>139,839</b>	127,837
Short term fixed deposit with original maturity of less than three months when acquired		—	40,509
		<b>139,839</b>	168,346