

Condensed Consolidated Cash Flow Statement

For the six months ended 31 December 2003

	Six months ended	
	31/12/03 (Unaudited) HK\$'000	31/12/02 (Unaudited) and restated HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit from operating activities	213,520	292,008
Adjustments for:		
Interest income	(10,885)	(9,117)
Depreciation of fixed assets	35,527	37,696
Provision for bad and doubtful debts	-	8,110
Loss on disposal/write-off of fixed assets, net	3,181	15,353
Gain on partial disposal of interests in subsidiaries	-	(52,400)
Operating profit before working capital changes	241,343	291,650
Increase in trade receivables	(35,062)	(348)
Increase in inventories	(6,772)	(71,810)
Decrease/(increase) in prepayments, deposits and other receivables	(12,912)	33,658
Decrease in amounts due from related companies	8,205	714
Increase in trade payables	20,785	81,199
Increase in trust receipt loans	59,396	102,352
Decrease in amount due to minority equity/shareholders, net	(8,089)	(52,146)
Increase in accrued liabilities and other payables	55,134	18,137
Cash generated from operations	322,028	403,406
Interest paid	(26,023)	(20,448)
Interest element on finance lease rental payments	(275)	(472)
Arrangement fees on bank and other loans	(7,036)	-
Hong Kong profits tax paid	-	(392)
Overseas tax paid	(46,791)	(54,668)
Net cash inflow from operating activities	241,903	327,426
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of fixed assets	(68,218)	(102,750)
Proceeds from sales of fixed assets	5,441	36
Interest received	10,885	9,117
Capital injection to jointly-controlled entities	(4,661)	-
Advances to jointly-controlled entities	(304,956)	-
Increase in pledged bank deposits	(4,709)	(34,781)
Decrease in non-pledged time deposits with original maturity of more than three months when acquired	(28,789)	-
Net cash outflow from investing activities	(395,007)	(128,378)

Condensed Consolidated Cash Flow Statement (Cont'd)

For the six months ended 31 December 2003

	Six months ended	
	31/12/03 (Unaudited) HK\$'000	31/12/02 (Unaudited) and restated HK\$'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Exercise of warrants to subscribe for new ordinary shares in the Company	42,049	-
Exercise of share options to subscribe for new ordinary shares in the Company	47,425	11,189
Capital contribution by minority interests	-	107,403
New bank loans	1,035,703	28,249
Repayments of bank loans	(406,162)	-
Repayments of other loans	(2,825)	(94)
Capital element of finance lease rental payment	(8,742)	(9,313)
Dividends paid	(47,420)	(35,464)
Dividends paid by a subsidiary to minority shareholders	(32,393)	(24,920)
Net cash inflow from financing activities	627,635	77,050
NET INCREASE IN CASH AND CASH EQUIVALENTS	474,531	276,098
Cash and cash equivalents at beginning of period	1,308,633	1,250,535
CASH AND CASH EQUIVALENTS AT END OF PERIOD	1,783,164	1,526,633
ANALYSIS OF BALANCES OF CASH & CASH EQUIVALENTS		
Cash and bank balances	1,466,400	210,571
Deposits with financial institutions	316,764	775,016
Non-pledged time deposits with original maturity of less than three months when acquired	-	541,046
	1,783,164	1,526,633