

# CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2003

	NOTES	2003 HK\$'000	2002 HK\$'000
<b>Operating activities</b>			
Profit before taxation		<b>366,303</b>	348,838
Adjustments for			
Depreciation of property, plant and equipment		<b>1,839</b>	1,520
Interest income		<b>(9,145)</b>	(17,802)
Dividend income		<b>(806)</b>	–
Finance costs		<b>65,933</b>	80,615
Amortisation of goodwill		<b>149</b>	149
Negative goodwill released to income		<b>(6,972)</b>	(20,917)
Amortisation of toll highway operation right		<b>1,923</b>	5,549
Gain on disposal of interests in subsidiaries	32	<b>(315)</b>	(689)
Gain on disposal of interests in an infrastructure joint venture	33	<b>(1,486)</b>	–
(Gain) loss on disposal of investment in securities		<b>(706)</b>	1,201
Realised gain on investment in securities		<b>(572)</b>	–
Unrealised loss on investment in securities		–	117
Share of operating profit of joint ventures		<b>(432,750)</b>	(416,891)
Gain on disposal of property, plant and equipment		<b>(201)</b>	(16)
Exchange adjustment		–	8,433
Operating cash flows before movements in working capital		<b>(16,806)</b>	(9,893)
Decrease in inventories and ginseng crops		<b>13,024</b>	28,532
Decrease in debtors, deposits and prepayments		<b>71,553</b>	50,366
Decrease in creditors and accrued charges		<b>(17,440)</b>	(2,955)
<b>Net cash from operating activities</b>		<b>50,331</b>	66,050
<b>Investing activities</b>			
Interest received		<b>11,207</b>	16,692
Dividend received from listed securities		<b>806</b>	–
Dividends received from infrastructure joint ventures		<b>129,455</b>	152,712
Proceeds on disposal of investment in securities		<b>83,020</b>	51,186
Proceeds on disposal of interests in subsidiaries	32	<b>55,975</b>	5,497
Proceeds on disposal of property, plant and equipment		<b>246</b>	266
Purchases of property, plant and equipment		<b>(12,725)</b>	(5,385)
Purchases of investment in securities		–	(89,659)
Additional investments in infrastructure joint ventures		<b>(360,122)</b>	(35,324)
Loans to infrastructure joint ventures		<b>(803,023)</b>	(38,712)
Repayment of loans from infrastructure joint ventures		<b>490,277</b>	296,143
Decrease in charged deposits		<b>58,091</b>	17,985
<b>Net cash (used in) from investing activities</b>		<b>(346,793)</b>	371,401

	<b>2003</b>	2002
	<b>HK\$'000</b>	HK\$'000
<b>Financing activities</b>		
New bank loans raised	<b>361,050</b>	33,302
Repayment of transferable loan certificate	<b>(487,500)</b>	(97,500)
Repayment of other loans	<b>(643)</b>	(2,373)
Repayment of obligations under finance leases	–	(465)
Repurchase of own shares	–	(1,215)
Issue of ordinary shares	<b>78,809</b>	–
Interest paid	<b>(58,181)</b>	(71,659)
Dividends paid	<b>(141,693)</b>	(160,419)
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<b>Net cash used in financing activities</b>	<b>(248,158)</b>	(300,329)
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<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(544,620)</b>	137,122
<b>Cash and cash equivalents at beginning of the year</b>	<b>973,971</b>	836,656
Effect of foreign exchange rate changes	<b>2,482</b>	193
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<b>Cash and cash equivalents at end of the year</b>	<b>431,833</b>	973,971
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Represented by:		
<b>Bank balances and cash</b>	<b>431,833</b>	973,971
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