

Consolidated Cash Flow Statement

For the year ended 31 December 2004

	1.1.2004 to 31.12.2004 HK\$'000 (Note 3)	1.1.2003 to 31.12.2003 HK\$'000 (Note 3)
Operating activities		
Profit from operations	78,206	48,523
Adjustments for:		
Share of results of jointly controlled entities	(175,914)	(98,722)
Depreciation	4,040	3,330
Loss (gain) on disposal of property, plant and equipment	262	(6)
Impairment loss on property, plant and equipment	-	5,010
Gain on disposal of investment in securities	(932)	-
Unrealised gain on revaluation of investments in securities	(4,550)	-
Dividend income from investment in securities	(1,396)	-
Interest on bank deposits	(171)	(59)
Interest on other receivables	(27)	(114)
Write off of negative goodwill arising upon conversion of preference shares	(385)	-
Provision for piling incident	-	20,000
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Operating cash flows before movements in working capital	(100,867)	(22,038)
Decrease in amount due from customers for contract work	10,811	825
Decrease in debtors, deposits and prepayments and loans receivable	78,487	37,728
(Decrease) increase in amount due to customers for contract work	(8,809)	685
Decrease in creditors and accrued charges	(8,888)	(2,529)
Decrease in other payable	(70,000)	(10,000)
Exchange realignment	(3,542)	(1,157)
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Cash (used in) generated from operations	(102,808)	3,514
Interest on bank deposits received	171	59
Interest on other receivables received	27	114
Interest paid	(195)	(2,196)
Income taxes paid	(27,234)	(5,387)
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Net cash used in operating activities	(130,039)	(3,896)

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For the year ended 31 December 2004

	1.1.2004 to 31.12.2004 HK\$'000 (Note 3)	1.1.2003 to 31.12.2003 HK\$'000 (Note 3)
Investing activities		
Dividend received from investment in securities	1,396	–
Distribution of profits from jointly controlled entities	171,356	105,656
Proceeds from disposal of property, plant and equipment	2,409	173
(Advances to) repayment from associates	(2,446)	9,701
Repayment of (advances to) jointly controlled entities	7,597	(6,533)
Purchase of property, plant and equipment	(7,300)	(354)
Purchase of investments in securities	(45,747)	(36,924)
Decrease (increase) in pledged bank deposits	35,456	(13,452)
Proceeds from disposal of investments in securities	4,421	–
Repayment by immediate holding company	3,490	43,651
Repayment by fellow subsidiaries	5,030	–
	<u>175,662</u>	<u>101,918</u>
Net cash generated from investing activities		
Financing activities		
New bank loans raised	20,000	–
Repayment to associates	–	(19,960)
Advances from (repayment to) intermediate holding company	3,710	(69,424)
Repayment of bank loans	(16,000)	(14,000)
Dividends paid to minority shareholders	(1,350)	(15,150)
(Repayment to) advances from jointly controlled entities	(4,932)	32,990
Repayment to immediate holding company	(8,811)	–
Advances from (repayment to) fellow subsidiaries	385	(27,587)
Repayment to ultimate holding company	–	(958)
	<u>(6,998)</u>	<u>(114,089)</u>
Net cash used in financing activities		
Increase (decrease) in cash and cash equivalents	38,625	(16,067)
Cash and cash equivalents at beginning of the year	13,223	29,290
Cash and cash equivalents at end of the year	<u>51,848</u>	<u>13,223</u>
Analysis of the balances of cash and cash equivalents		
Bank balances and cash	51,848	17,360
Bank overdrafts	–	(4,137)
	<u>51,848</u>	<u>13,223</u>