

Consolidated Cash Flow Statement

For the year ended 31st December, 2004

	2004	2003
Notes	HK\$'000	HK\$'000
Operating activities		
Profit from operations	487,291	42,255
Adjustments for:		
Share of results of jointly controlled entities	(173,751)	(89,592)
Gain on disposal of interest in a property development project	(475,309)	—
Depreciation	8,337	7,567
Amortisation of goodwill	1,672	—
Interest on bank deposits	(491)	(337)
Interest on investments	(1,508)	(190)
Interests on other receivables	(26)	(289)
Loss (gain) on disposal of property, plant and equipment	328	(1,336)
Impairment loss on property, plant and equipment	—	5,010
Gain on disposal of investments	(1,271)	(3,267)
Unrealised gain on revaluation of investments	(3,120)	(7,837)
Provision for piling incident	—	20,000
Allowance for loans receivable	34,000	—
Operating cash flows before movements in working capital	(123,848)	(28,016)
Increase in inventories	(4,387)	(8,733)
Decrease (increase) in amount due from customers for contract work	21,910	(9,796)
Decrease in debtors, deposits and prepayments and loans receivable	66,036	39,920
(Decrease) increase in amount due to customers for contract work	(5,967)	686
Decrease in creditors and accrued charges and other payable	(69,539)	(27,790)
Exchange realignment	(3,504)	—
Cash used in operations	(119,299)	(33,729)
Interest on bank deposits received	491	337
Interest on investments received	1,508	190
Interests on other receivables received	26	289
Interest paid	(1,288)	(32,179)
Interest on finance leases and sale and leaseback arrangement paid	(40)	(64)
Hong Kong Profits Tax paid	(27,236)	(8,055)
Hong Kong Profits Tax refunded	—	2,765
Tax arising in other jurisdictions paid	(402)	(389)
Net cash used in operating activities	(146,240)	(70,835)

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For the year ended 31st December, 2004

	Notes	2004 HK\$'000	2003 HK\$'000
Investing activities			
Distribution of profits from jointly controlled entities		171,356	97,852
Dividends received from an associate		68,397	58,205
Proceeds from disposal of property, plant and equipment		2,483	2,058
Proceeds from disposal of partial interest in a subsidiary		4,064	—
Proceeds on disposal of interest in a property development project	7	573,652	—
Proceeds from disposal of investments		79,519	7,907
(Advances to) repayment from associates		(2,487)	9,392
Purchase of property, plant and equipment		(9,129)	(16,154)
Acquisition of subsidiaries	37	(35,633)	—
Increase in investment in an associate		(53,369)	(8,622)
Purchase of investments		(153,449)	(29,365)
Advances to jointly controlled entities		(111,745)	(1,812)
Decrease (increase) in bank deposits pledged to secure banking facilities		35,456	(13,452)
Net cash generated from investing activities		569,115	106,009
Financing activities			
New bank loans raised		35,000	158,264
Advanced from (repayment to) associates		28	(19,955)
Issue of shares on exercise of share options		2,677	2,763
Repayment of bank loans		(148,830)	(155,000)
Dividends paid		(198,211)	(31,351)
(Repayment to) advances from jointly controlled entities		(6,127)	34,185
Repayment of other borrowings		(248)	(239)
Repayment to related companies		(10,000)	(55,238)
Net cash used in financing activities		(325,711)	(66,571)
Increase (decrease) in cash and cash equivalents		97,164	(31,397)
Cash and cash equivalents at beginning of the year		50,904	82,301
Cash and cash equivalents at end of the year		148,068	50,904
Analysis of the balances of cash and cash equivalents			
Bank balances and cash		148,068	55,041
Bank overdrafts		—	(4,137)
		148,068	50,904