

Consolidated Cash Flow Statement

For the period from 1st April, 2002 to 31st December, 2002

	1.4.2002 to 31.12.2002 HK\$'000	1.4.2001 to 31.3.2002 HK\$'000
Operating activities		
(Loss) profit from operations	(1,113)	185,616
Adjustments for:		
Share of profits less losses of jointly controlled entities	(7,279)	(140,731)
Dividend income from investment in securities	—	(48,853)
Gain on deemed disposal of partial interest in an associate	—	(4,230)
Depreciation	7,613	33,538
Amortisation of toll highway operation right	—	1,797
Amortisation of goodwill	—	3,186
Negative goodwill released to income statement	—	(8,399)
Interest income	(666)	(8,351)
Gain on disposal of property, plant and equipment	(2,336)	(154)
Impairment loss on property, plant and equipment	—	50,905
Loss on disposal of an associate	—	575
Loss on disposal of other unlisted investments	—	4,417
Unrealised gains of interest charged	17	—
Unrealised gain of transfer of property, plant and equipment	1,338	—
Unrealised gains of construction contract income	—	19,192
Unrealised gains on revaluation of other unlisted investments	(10,056)	(227)
Impairment loss arising on investment securities	—	800
Discount on guarantee notes	—	(209)
Amortisation of capitalised borrowing costs on financing the construction of the joint ventures' toll highways and expressways	—	(2,120)
Operating cash flows before movements in working capital	(12,482)	86,752
Decrease in inventories	9,585	49,320
Decrease in amount due from customers for contract work	69,866	34,730
Decrease (increase) in debtors, deposits and prepayments	59,756	(125,643)
Decrease in amount due to customers for contract work	(82,998)	(68,890)
Decrease in creditors and accrued charges	(67,942)	(53,866)
Exchange realignment	1,551	(5,437)
Cash used in operations	(22,664)	(83,034)
Interest received	666	8,351
Interest paid	(6,465)	(45,348)
Interest on sale and leaseback arrangement paid	(62)	(100)
Finance cost on convertible redeemable preference shares issued by a subsidiary paid	—	(40,050)
Finance leases charges paid	—	(162)
Finance cost on redeemable bond paid	(424)	(14,516)
Hong Kong Profits Tax paid	(2,259)	(6,379)
Hong Kong Profits Tax refunded	10,243	5,562
Tax arising in other jurisdictions paid	(363)	(599)
Tax arising in other jurisdictions refunded	—	816
Net cash used in operating activities	(21,328)	(175,459)

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Investing activities		
Distribution of profits from jointly controlled entities	54,296	77,137
Dividends received from an associate	62,761	35,430
Proceeds from disposal of property, plant and equipment	3,325	3,199
Deposit received on disposal of a subsidiary	17,400	17,400
Advances to associates	(459)	(15,894)
(Advances to) repayment from jointly controlled entities	(19,431)	227,285
Purchase of property, plant and equipment	(7,969)	(12,326)
Purchase of investment in securities	(4,736)	(247)
(Increase) decrease in bank deposits to secure banking facilities	(109)	43,658
Dividend income from investment in securities	—	48,853
Proceeds on disposal of investment in securities	—	82,172
Increase in investments in associates	—	(17,098)
Proceeds on disposal of an associate	—	3,500
Net cash outflow arising on deconsolidation of subsidiaries	39	(1,035,297)
Net cash inflow arising on acquisition of a subsidiary	40	779,061
Net cash generated from investing activities	105,078	236,833
Financing activities		
New bank loans raised	180,000	—
(Repayment to) advances from associates	(1,849)	12,724
Issue of shares on exercise of share options	1,571	377
Redemption of redeemable bond	(135,000)	(45,000)
Repayment of bank loans	(39,889)	(49,574)
Dividends paid	(23,277)	—
Repayment to jointly controlled entities	(21,512)	(60,484)
Repurchase of shares	(1,723)	—
Repayment of other borrowings	(141)	(63,200)
Other borrowings raised	—	7,748
Advance from trust receipt loans, net	—	44
Repayment to related companies	—	(50,000)
Repurchase of shares from minority shareholders	—	(6,640)
Advances from related companies	—	125,239
Net cash used in financing activities	(41,820)	(128,766)
Increase (decrease) in cash and cash equivalents	41,930	(67,392)
Cash and cash equivalents at beginning of the period/year	40,371	106,527
Effect of foreign exchange rate changes	—	1,236
Cash and cash equivalents at end of the period/year	82,301	40,371
Analysis of the balances of cash and cash equivalents		
Bank balances and cash	82,301	41,502
Bank overdrafts	—	(1,131)
	82,301	40,371