

Consolidated Cash Flow Statement

For the year ended 31st December, 2003

	1.1.2003 to 31.12.2003 HK\$'000	1.4.2002 to 31.12.2002 HK\$'000
Operating activities		
Profit (loss) from operations	42,255	(1,113)
Adjustments for:		
Share of profits less losses of jointly controlled entities	(89,592)	(7,279)
Depreciation	7,567	7,613
Interest on bank deposits	(337)	(666)
Interest on investments in securities	(190)	—
Interests on other receivables	(289)	—
Gain on disposal of property, plant and equipment	(1,336)	(2,336)
Impairment loss on property, plant and equipment	5,010	—
Gain on disposal of investments in securities	(3,267)	—
Unrealised gains of interest charged	—	17
Unrealised gain of transfer of property, plant and equipment	—	1,338
Unrealised gain on revaluation of other unlisted investments	(7,837)	(10,056)
Provision for piling incident	20,000	—
Operating cash flows before movements in working capital	(28,016)	(12,482)
(Increase) decrease in inventories	(8,733)	9,585
(Increase) decrease in amount due from customers for contract work	(9,796)	69,866
Decrease in debtors, deposits and prepayments and loans receivable	39,920	59,756
Increase (decrease) in amount due to customers for contract work	686	(82,998)
Decrease in creditors and accrued charges	(17,790)	(67,942)
Decrease in other payable	(10,000)	—
Exchange realignment	—	1,551
Cash used in operations	(33,729)	(22,664)
Interest on bank deposits received	337	666
Interest on investments in securities received	190	—
Interests on other receivables received	289	—
Interest paid	(32,179)	(6,465)
Interest on finance lease and sale and leaseback arrangement paid	(64)	(62)
Finance costs on redeemable bond paid	—	(424)
Hong Kong Profits Tax paid	(8,055)	(2,259)
Hong Kong Profits Tax refunded	2,765	10,243
Tax arising in other jurisdictions paid	(389)	(363)
Net cash used in operating activities	(70,835)	(21,328)

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	1.1.2003 to 31.12.2003 HK\$'000	1.4.2002 to 31.12.2002 HK\$'000
Investing activities		
Distribution of profits from jointly controlled entities	97,852	54,296
Dividends received from an associate	58,205	62,761
Proceeds from disposal of property, plant and equipment	2,058	3,325
Deposit received on disposal of a subsidiary	—	17,400
Repayment from (advances to) associates	9,392	(459)
Advances to jointly controlled entities	(1,812)	(19,431)
Purchase of property, plant and equipment	(16,154)	(7,969)
Purchase of investments in securities	(29,365)	(4,736)
Increase in bank deposits to secure banking facilities	(13,452)	(109)
Proceeds from disposal of investments in securities	7,907	—
Increase in investment in an associate	(8,622)	—
Net cash generated from investing activities	106,009	105,078
Financing activities		
New bank loans raised	158,264	180,000
Repayment to associates	(19,955)	(1,849)
Issue of shares on exercise of share options	2,763	1,571
Redemption of redeemable bond	—	(135,000)
Repayment of bank loans	(155,000)	(39,889)
Dividends paid	(31,351)	(23,277)
Advances from (repayment to) jointly controlled entities	34,185	(21,512)
Repurchase of shares	—	(1,723)
Repayment of other borrowings	(239)	(141)
Repayment to related companies	(55,238)	—
Net cash used in financing activities	(66,571)	(41,820)
(Decrease) increase in cash and cash equivalents	(31,397)	41,930
Cash and cash equivalents at beginning of the year/period	82,301	40,371
Cash and cash equivalents at end of the year/period	50,904	82,301
Analysis of the balances of cash and cash equivalents		
Bank balances and cash	55,041	82,301
Bank overdrafts	(4,137)	—
	50,904	82,301