

**Consolidated Statement of Cash Flows**

Year ended 31 December 2018

	<i>Notes</i>	<b>2018</b> <i>HK\$'000</i>	2017 <i>HK\$'000</i>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		493,232	95,468
Adjustments for:			
Finance costs	6	60,584	18,490
Gain on disposal of subsidiaries, net		(1,030,055)	–
Gain on disposal of interests in an associate	7	(143)	–
Interest income	5	(41,675)	(15,844)
Gain on disposal of items of property, plant and equipment	7	(4,683)	(7,308)
Equity-settled share option expense	7	160,060	–
Depreciation	7	48,465	61,388
Fair value gain on financial assets at fair value through profit or loss	7	(153,777)	(10,865)
Gain on disposal of an investment fund at fair value through profit or loss	7	–	(11,163)
Fair value loss on a derivative financial instrument	7	–	33,057
Changes in fair value of investment properties	7	–	(23,175)
Write-down of properties under development	7	452,903	–
Impairment of contract assets	7	2,048	–
Impairment/(write-back of impairment) of other receivables	7	(144)	1,029
Impairment/(write-back of impairment) of an amount due from an associate	7	(13)	13
		<b>(13,198)</b>	141,090
Increase in properties under development and properties held for sale, net		(121,267)	(12,570,514)
Increase in inventories		(3,943)	(11,858)
Decrease in amounts due from customers for contract works		–	16,482
Increase in contract assets		(225,224)	–
Decrease/(increase) in trade and retention receivables		(40,463)	158,572
Decrease/(increase) in prepayments, deposits and other receivables		(44,029)	21,399
Decrease in an amount due to a related company		(9,668)	–
Increase in trade and retention payables and accruals		(41,456)	(129,287)
Increase/(decrease) in other payables, deposits received and receipts in advance		(56,334)	28,594
Decrease in amounts due to customers for contract works		–	(172,277)
Increase in contract liabilities		(132,770)	–
Decrease in deposits received		–	(43,839)
Cash used in operations		<b>(688,352)</b>	(12,561,638)
Taxes paid in the People's Republic of China (the "PRC"):			
Hong Kong		(1,896)	(136,679)
Elsewhere		(114,933)	(268,169)
Taxes refunded in the PRC:			
Hong Kong		485	1,777
Elsewhere		3	2,444
Effect of foreign exchange rate changes, net		(4,905)	(10,721)
Net cash flows used in operating activities		<b>(809,598)</b>	(12,972,986)

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<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received		41,675	15,844
Purchases of items of property, plant and equipment		(58,775)	(11,397)
Deposits paid for acquisition of items of property, plant and equipment	23	(335)	(41)
Proceeds from disposal of items of property, plant and equipment		4,866	8,234
Proceeds from disposal of subsidiaries	42	6,650,083	–
Proceeds from disposal of an associate	16	143	–
Decrease/(increase) in an amount due from an associate		13	(13)
Capital injection to a financial asset at fair value through profit or loss	24(i)	(633,160)	(728,000)
Return of initial capital from financial assets at fair value through profit or loss	24(i)	1,361,160	–
Purchase of an investment fund at fair value through profit or loss	24(ii)	(345,246)	(600,600)
Proceeds from disposal of an investment fund at fair value through profit or loss		–	611,763
Subscription of convertible bonds	24(iii)	(800,000)	–
Advance payment for capital contribution to a financial asset at fair value through profit or loss	23	(367,700)	–
Investment income from a financial asset at fair value through profit or loss		17,626	–
Increase in a derivative financial instrument		–	(2,351)
Redemption of a derivative financial instrument		–	7,767
Increase in restricted cash		(1,430,897)	–
Increase in structured deposits		(580,686)	–
Decrease/(increase) in non-pledged time deposits with original maturity of more than three months when acquired		(2,000,000)	34,237
Net cash flows from/(used in) investing activities		<b>1,858,767</b>	<b>(664,557)</b>

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Year ended 31 December 2018

	<i>Notes</i>	<b>2018</b> <i>HK\$'000</i>	2017 <i>HK\$'000</i>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of shares	32	2,100	2,323,624
Advance receipt for issue of shares	33	2,100	–
Share issue expenses	32	–	(4,174)
Shares repurchased	32	(58,015)	–
Proceeds from issue of guaranteed notes	30	–	305,000
Guaranteed notes issue expenses	30	–	(10,849)
Interest paid		(214,040)	(106,992)
New bank borrowings		2,929,000	6,983,434
New other borrowing		300,000	–
Repayment of bank borrowings		(5,580,353)	(1,579,304)
Loan from non-controlling interests		–	2,506
Loan from the immediate holding company		–	9,150,000
Loan from an intermediate holding company		–	460,040
Repayment of loan to the immediate holding company		–	(2,218,830)
Repayment of loan to an intermediate holding company		–	(460,040)
Repayment of loan to non-controlling interests		–	(2,506)
Acquisition of additional interest in a subsidiary	41	–	(104,598)
Dividends paid to non-controlling interests		–	(3,000)
Dividends paid		(340,249)	(113,416)
Net cash flows from/(used in) financing activities		<u>(2,959,457)</u>	<u>14,620,895</u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>			
		<b>(1,910,288)</b>	983,352
Cash and cash equivalents at beginning of year		2,817,211	1,824,211
Effect of foreign exchange rate changes, net		8,486	9,648
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b><u>915,409</u></b>	<b><u>2,817,211</u></b>
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances	25	854,257	2,077,460
Non-pledged time deposits	25	2,000,000	250,000
Cash and cash equivalents as stated in the consolidated statement of financial position		2,854,257	2,327,460
Less: Non-pledged time deposits with original maturity of over three months when acquired		(2,000,000)	–
Add: Pledged bank balances	25	37,469	41,414
Add: Cash and cash equivalents attributable to the disposal groups	11	23,683	448,337
Cash and cash equivalents as stated in the consolidated statement of cash flows		<u>915,409</u>	<u>2,817,211</u>