

# CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2018

	Group	
	2018	2017
	\$'000	\$'000
<b>Cash flows from operating activities</b>		
(Loss)/profit for the year	(78,366)	256,055
Adjustments for:		
Finance income	(55,026)	(22,807)
Finance costs	101,356	95,522
Depreciation of property, plant and equipment	170,752	170,048
Amortisation of intangible assets	24,694	22,868
Share of results of associates and joint ventures, net of tax	2,385	3,617
(Gain)/loss on disposal of property, plant and equipment, net	(2,371)	863
(Gain)/loss on disposal of intangible assets	(106)	13
Gain on disposal of subsidiaries	–	(753)
Gain on disposal of assets held for sale	–	(46,816)
Gain on disposal of other financial assets	(27)	–
Gain on disposal of available-for-sale financial asset	–	(17,200)
Assumption of liabilities on behalf of a joint venture	–	11,000
Fair value adjustment on hedging instruments	1,713	(1,623)
Fair value adjustment on firm commitments under fair value hedge	692	3,454
Net change in fair value of financial assets measured through profit or loss	(114)	–
Impairment losses on available-for-sale financial assets	–	2,275
Impairment losses on property, plant and equipment	4,663	–
Share-based payment expenses	5,833	6,149
Property, plant and equipment written off	58	500
Inventories written down, net	432	56
Contract costs written back, net	–	(19,678)
Allowance for doubtful debts and bad debts, net	2,673	167
Tax (credit)/expense	(22,531)	24,817
<b>Operating profit before working capital changes</b>	156,710	488,527
<b>Changes in working capital:</b>		
Inventories	15,170	(21,287)
Contract costs	2,157,763	140,789
Contract assets	(346,305)	(211,529)
Contract liabilities	(1,071,427)	302,793
Trade and other receivables	(1,023,301)	(182,719)
Trade and other payables	(10,076)	(372,628)
<b>Cash (used in)/generated from operations</b>	(121,466)	143,946
Interest income received	55,107	11,392
Interest paid	(97,899)	(93,081)
Tax paid	(5,726)	(12,610)
<b>Net cash (used in)/generated from operating activities</b>	(169,984)	49,647
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment (Note (a))	(343,395)	(177,892)
Proceeds from sale of property, plant and equipment	7,643	1,482
Proceeds from sale of intangible assets	168	42
Acquisition of subsidiary and intellectual property rights, net of cash acquired (Note 38)	(54,594)	–
Proceeds from disposal of a subsidiary	–	50
Proceeds from disposal of equity investments at FVOCI	6,861	–
Proceeds from disposal of equity investments at FVTPL	835	–
Proceeds from disposal of available-for-sale financial asset	–	36,033
Proceeds from divestment of asset held for sale	–	205,690
<b>Net cash (used in)/generated from investing activities</b>	(382,482)	65,405

The accompanying notes form an integral part of these financial statements.

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Year ended 31 December 2018

	Group	
	2018	2017
	\$'000	\$'000
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	1,101,622	465,809
Repayment of borrowings	(990,635)	(441,039)
Repayment of finance lease	(512)	(512)
Purchase of treasury shares	(916)	(5,942)
Dividends paid to owners of the Company	(20,888)	(41,794)
Dividends paid to non-controlling interests of subsidiaries	(78)	(279)
Unclaimed dividends	30	6
<b>Net cash generated from/(used in) financing activities</b>	<b>88,623</b>	<b>(23,751)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(463,843)</b>	<b>91,301</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>1,301,000</b>	<b>1,216,971</b>
Effect of exchange rate changes on balances held in foreign currencies	16	(7,272)
<b>Cash and cash equivalents at end of the year (Note 17)</b>	<b>837,173</b>	<b>1,301,000</b>

- (a) During the year, purchase of property, plant and equipment includes payment of \$2,188,000 on prior year's accrued capital expenditure for the Brazil yard (2017: includes payment of \$1,373,000 on 2016's accrued capital expenditure for the Brazil yard).

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