

# Consolidated Cash Flow Statement

For the year ended 31 December 2004

(Expressed in Hong Kong dollars)

	Note	2004		2003	
		\$'000	\$'000	\$'000	\$'000
<b>Operating activities</b>					
Profit from ordinary activities					
before taxation		187,352		123,312	
Adjustments for:					
- Dividend income from listed investments		(9,415)		(7,409)	
- Depreciation		20,307		17,123	
- Finance costs		3,292		4,842	
- Interest income		(14,223)		(14,610)	
- Share of profits less losses of associates		(95,880)		(60,405)	
- Share of profits of a jointly controlled entity		(11,610)		(10,457)	
- Net gain on disposal of fixed assets		(1,022)		(132)	
- Net (gain)/loss on disposal of investments		(1,360)		432	
- Realised gain on disposal of fixed assets to a jointly controlled entity in prior years		(5,072)		—	
- Provision for impairment in value of investments		1,330		6,747	
		<u>73,699</u>		<u>59,443</u>	
<b>Operating profit before changes in working capital</b>		<b>73,699</b>		<b>59,443</b>	
(Increase)/decrease in inventories		(108)		85	
Increase in trade and other receivables		(705)		(15,620)	
(Decrease)/increase in trade and other payables		(7,073)		3,052	
(Decrease)/increase in course fees received in advance		(13,480)		9,808	
		<u>52,333</u>		<u>56,768</u>	
<b>Cash generated from operations</b>		<b>52,333</b>		<b>56,768</b>	
Tax paid					
- Hong Kong profits tax paid		(13,545)		(11,058)	
		<u>38,788</u>		<u>45,710</u>	
<b>Net cash from operating activities</b>			<b>38,788</b>		<b>45,710</b>

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For the year ended 31 December 2004

(Expressed in Hong Kong dollars)

	Note	2004		2003	
		\$'000	\$'000	\$'000	\$'000
<b>Investing activities</b>					
Payments for the purchase of fixed assets		(9,691)		(4,200)	
Proceeds from disposal of fixed assets		1,357		223	
Payments for the purchase of investments		(25,298)		(41,359)	
Proceeds from sale of investments		5,278		25,927	
Dividends received from listed investments		9,153		7,409	
Dividend received from a jointly controlled entity		5,000		5,000	
Repayment of loan from an associate		48,100		—	
Interest received		3,925		3,037	
<b>Net cash from/(used in) investing activities</b>			<b>37,824</b>		<b>(3,963)</b>
<b>Financing activities</b>					
Proceeds from grant of share option		—		50,000	
Expenses paid in connection with share issues		(2,664)		—	
Proceeds from issuance of new shares		102,000		—	
Other borrowing costs		(406)		(442)	
Interest paid		(2,886)		(7,335)	
Dividends paid		(44,663)		(41,678)	
Dividends paid to minority shareholders		(17,100)		(13,200)	
<b>Net cash from/(used in) financing activities</b>			<b>34,281</b>		<b>(12,655)</b>
<b>Net increase in cash and cash equivalents</b>			<b>110,893</b>		<b>29,092</b>
<b>Cash and cash equivalents at 1 January</b>			<b>331,373</b>		<b>302,281</b>
<b>Cash and cash equivalents at 31 December</b>	18		<b>442,266</b>		<b>331,373</b>

The notes on pages 34 to 71 form part of these financial statements.