

Consolidated Cash Flow Statement

For the year ended 31 March 2003
(Expressed in Hong Kong dollars)

	Note	2003 \$'000	2002 \$'000
Operating activities			
Profit/(loss) from ordinary activities before taxation		5,948	(364,875)
Adjustments for:			
– Interest expense		5,450	18,594
– Interest element of finance lease rentals		1	19
– Interest income		(2)	(4,710)
– Depreciation		764	3,887
– Amortisation of goodwill		904	–
– Loss on disposal of fixed assets		1,178	7,079
– Write back of provision for closure of data centres		(7,471)	–
– Bad debts recovery		–	(10,199)
– Bad debts provision		377	451
– Gain on disposal of subsidiaries	26(b)	(275)	(3,395)
– Impairment losses on fixed assets		–	305,000
– Unrealised loss on trading securities carried at fair value		1,680	–
– Provision for diminution in value of investment securities		–	33,150
– Gain on disposal of investment securities		–	(11,155)
Operating profit/(loss) before changes in working capital		8,554	(26,154)
Decrease in stocks		13	–
Increase in trading securities		(7,000)	–
Decrease in accounts receivable and other receivables		26,514	4,658
(Decrease)/increase in accounts payable and other payables		(4,024)	5,597
Cash generated from/(used in) operations		24,057	(15,899)
Hong Kong Profits Tax paid by an acquired subsidiary		(5,605)	–
Net cash from/(used in) operating activities		18,452	(15,899)
Investing activities			
Payment for purchase of fixed assets		(278)	(1,558)
Proceeds on disposal of fixed assets		586	325
Proceeds on disposal of investment securities		–	59,280
Net cash acquired from acquisition of subsidiaries	26(a)	1,247	–
Net cash outflow from disposal of subsidiaries	26(b)	(8)	(53)
Interest received		2	1,300
Net cash from investing activities		1,549	59,294

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	Note	2003 \$'000	2002 \$'000
Financing activities			
Interest paid		(7,463)	(3,827)
Interest element of finance lease rentals paid		(1)	(19)
Proceeds from other loans		136,876	14,880
Capital element of finance lease rentals paid		(7)	(90)
Repayments of bank loans and other loans		(218,733)	(55,623)
Repayment of convertible bonds		(23,614)	–
Proceed from issue of shares, net of expenses		108,843	–
Net cash used in financing activities		(4,099)	(44,679)
Net increase/(decrease) in cash and cash equivalents		15,902	(1,284)
Cash and cash equivalents at 1 April		(7,805)	(6,521)
Cash and cash equivalents at 31 March	18	8,097	(7,805)

The notes on pages 26 to 58 form part of these financial statements.