

Consolidated Cash Flow Statement

31 December 2003



Broad Intelligence International Pharmaceutical Holdings Limited

	2003 HK\$'000	2002 HK\$'000
Cash flows from operating activities		
Profit before taxation	68,114	50,182
Adjustment for:		
Interest income	(237)	(110)
Interest expenses	342	214
Depreciation	1,959	1,506
Deficit on revaluation of land and buildings	758	–
Release of negative goodwill	(161)	(161)
Operating profit before working capital changes	70,775	51,631
(Increase)/decrease in inventories	(3,023)	1,802
Increase in trade receivable	(18,004)	(18,476)
(Increase)/decrease in prepayments, deposits and other receivable	(3,224)	2,630
Increase in trade payable	3,593	9,189
Increase in accruals and other payables	4,000	2,044
Decrease in amounts due to directors	(187)	(5,287)
Cash generated from operation	53,930	43,533
PRC enterprise income tax paid	(7,797)	(2,123)
Net cash from operating activities	46,133	41,410
Investing activities		
Proceeds from issue of shares	78,193	–
Share issuance expenses	(10,449)	–
Purchase of property, plant and equipment	(1,176)	(15,172)
Interest received	237	110
Net cash generated from/(used in) investing activities	66,805	(15,062)
Financing activities		
Repayment of short-term bank loans	(7,424)	(1,358)
New short-term bank loans	1,226	6,198
Dividends paid	–	(19,632)
Interest paid	(342)	(214)
Net cash used in financing activities	(6,540)	(15,006)
Increase in cash and cash equivalents	106,398	11,342
Cash and cash equivalents at beginning of the year	28,067	16,725
Cash and cash equivalents at end of the year	134,465	28,067
Analysis of the balances of cash and cash equivalents		
Cash and bank balances	134,708	28,067
Bank overdraft	(243)	–
	134,465	28,067

The notes on pages 28 to 49 form an integral part of these financial statements.