



THE COMPANY

TOTAL AND ATTRIBUTABLE TURNOVER UNDER MANAGEMENT

The following table summarises the total and attributable turnover under the Company's management. This table includes 100% of the turnover of all of the business we have invested in, whether as subsidiaries, jointly controlled entities or associates, and is designed to give you a better picture of the range and size of our activities.

	Total		Group	Attributable	
	US\$ million	%	Ownership	US\$ million	%
PRC agri-business	2,543.6	88.1	33-100	1,706.5	90.7
Turkey agri-business	100.9	3.5	83-100	84.8	4.5
PRC industrial business	241.2	8.3	14-38	87.5	4.7
Investment properties/ Investment holding	2.0	0.1	100	2.0	0.1
	2,887.7	100.0		1,880.8	100.0

ANALYSIS OF TURNOVER AND NET PROFIT/(LOSS) ATTRIBUTABLE TO SHAREHOLDERS BY PRINCIPAL ACTIVITY AND GEOGRAPHICAL LOCATION OF OPERATIONS

	Turnover		Net Profit/(Loss)	
	2001 US\$'000	2000 US\$'000	2001 US\$'000	2000 US\$'000
Agri-business operations				
PRC	1,346,546	1,271,552	4,462	(25,812)
Turkey	100,935	131,362	(3,901)	(4,194)
	1,447,481	1,402,914	561	(30,006)
Thailand	1,701	15,738	6,300	17,048
Indonesia	–	–	(1,978)	–
	1,449,182	1,418,652	4,883	(12,958)
Industrial operations	–	–	3,232	2,394
Investment properties	254	271	(660)	(4,334)
Investment holding*	27	18	(17,753)	(36,256)
	1,449,463	1,418,941	(10,298)	(51,154)

* including Hong Kong headquarters' general expenses



Financial Review (continued)

BALANCE SHEET

GEOGRAPHICAL BREAKDOWN OF TOTAL ASSETS

	2001		2000	
	US\$ million	%	US\$ million	%
PRC				
Hong Kong	31.2	2.9	134.5	10.0
Elsewhere	990.4	91.6	1,068.4	79.7
	1,021.6	94.5	1,202.9	89.7
Turkey	53.5	4.9	70.9	5.3
Thailand	–	–	66.7	5.0
Indonesia	6.4	0.6	–	–
	1,081.5	100.0	1,340.5	100.0

KEY RATIOS

	2001	2000
	%	%
Debt to equity ratio*	508	643
Long term debt to equity ratio	218	241
Working capital ratio	54	65
Quick ratio	31	44
Net asset value per share	US cents 3.18	US cents 3.57

* Debt to equity ratio = Total debt/Net asset value



JOINTLY CONTROLLED ENTITIES AND ASSOCIATES

The following, prepared on a combined 100% basis, presents the combined financial position and results of operations of all jointly controlled entities and associates involving in agri-business and industrial business as at the balance sheet date accounted for by the Group, using the equity method, for the year ended 31st December, 2001:

	PRC		Total US\$'000
	Agri- business US\$'000	Industrial business US\$'000	
Balance Sheet Data:			
Fixed assets	282,295	102,118	384,413
Long term investments	29,624	6,104	35,728
Long term receivables and other assets	1,558	3,064	4,622
Current assets	326,048	152,293	478,341
Creditors: amounts falling due within one year	(402,826)	(118,021)	(520,847)
Net current assets/(liabilities)	(76,778)	34,272	(42,506)
Creditors: amounts falling due after one year	(15,021)	(6,354)	(21,375)
	221,678	139,204	360,882
Shareholders' funds	210,059	136,308	346,367
Minority interests	11,619	2,896	14,515
	221,678	139,204	360,882
Profit and Loss Account Data:			
Turnover	903,648	241,189	1,144,837
Profit before tax	347	22,548	22,895
Tax	(3,200)	(7,178)	(10,378)
Minority interests' share of losses/(profits)	457	(415)	42
Profit/(Loss) attributable to shareholders	(2,396)	14,955	12,559
Group's proportionate share of profits less losses after tax for the year	(933)	7,136	6,203



Financial Review (continued)

DIVISIONAL PERFORMANCE

CT AGRO AND CT INVESTMENT

The combined consolidated profit and loss account and balance sheet of CT Agro and CT Investment are set out as follows:

COMBINED CONSOLIDATED PROFIT AND LOSS ACCOUNT

	2001	2000
	US\$'000	US\$'000
Turnover	1,346,546	1,271,552
Operating costs	(1,331,941)	(1,300,675)
Operating profit/(loss)	14,605	(29,123)
Share of profits less losses of jointly controlled entities and associates	(1,648)	8,204
Profit/(Loss) before tax	12,957	(20,919)
Tax	(5,858)	(5,836)
Profit/(Loss) after tax	7,099	(26,755)
Minority interests' share of losses/(profits)	(2,637)	943
Net profit/(loss) attributable to shareholders	4,462	(25,812)



COMBINED CONSOLIDATED BALANCE SHEET

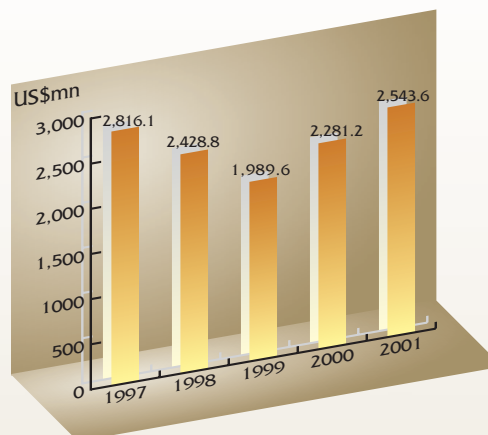
	2001		2000
	US\$ million		<i>US\$ million</i>
Fixed assets	550.6		585.5
Jointly controlled entities and associates	83.0		91.7
Other investments	0.1		1.3
Goodwill	5.4		5.3
Current assets	381.6	276.8	
Current liabilities	(610.8)	(508.8)	
Net current liabilities	(229.2)		(232.0)
Term loans	(52.4)		(49.2)
Net operating assets	357.5		402.6
Share capital	30.1		30.1
Reserves	(97.6)		(98.0)
Amount due to holding company	374.8		424.0
	307.3		356.1
Minority interests	50.2		46.5
	357.5		402.6



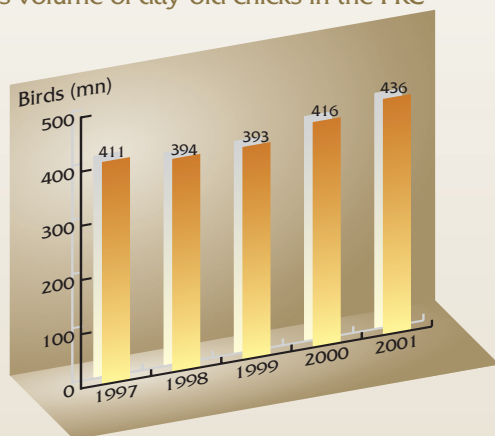
Financial Review (continued)

AGRI-BUSINESS PERFORMANCE SUMMARY

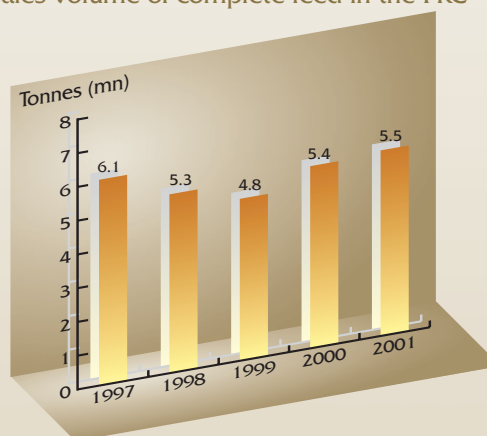
Turnover under management –
agri-business projects in the PRC



Sales volume of day-old chicks in the PRC



Sales volume of complete feed in the PRC



TOTAL UNIT SALES OF MAJOR PRODUCTS

For the year ended 31st December, 2001

Complete feed <i>(tonnes)</i>	Concentrate <i>(tonnes)</i>	Premix <i>(tonnes)</i>	Day-old chicks <i>('000 birds)</i>	Broiler meat <i>(tonnes)</i>
5,468,557	730,301	95,286	436,384	340,397



ANALYSIS OF PRC AGRI-BUSINESS SALES AND PROFITABILITY

Category	Number of Projects	Sales <i>RMB million</i>
1. Projects which were profitable in both 2000 and 2001	42	12,591
2. Projects which became profitable in 2001	15	1,191
3. Projects which incurred a loss in 2001	45	7,326
4. Projects which commenced operation in 2001	2	4
Total	<u>104</u>	<u>21,112</u>

Category	Number of Projects	Net profit/(loss) <i>RMB million</i>
1. Projects which were profitable in both 2000 and 2001	42	492
2. Projects which became profitable in 2001	15	21
3. Projects which incurred a loss in 2001	45	(493)
4. Projects which commenced operation in 2001	2	(4)
Total	<u>104</u>	<u>16</u>



Financial Review (continued)

EK CHOR CHINA

The following information is extracted from the 2001 audited financial statements and annual report of Ek Chor China:

CONSOLIDATED STATEMENTS OF INCOME

	For the years ended 31st December,		
	2001 <i>US\$'000</i>	2001 <i>RMB'000</i>	2000 <i>RMB'000</i>
Share of net income of joint ventures and associated companies	6,995	57,922	61,829
Interest income	679	5,620	7,171
Other income	152	1,263	3,605
	7,826	64,805	72,605
General and administrative expenses	(3,312)	(27,427)	(30,816)
Foreign exchange gains, net	2	19	104
Provision for investments	–	–	(14,263)
	(3,310)	(27,408)	(44,975)
Income before minority interests	4,516	37,397	27,630
Minority interests	114	942	348
Net income	4,630	38,339	27,978
Basic and diluted earnings per share <i>(Note 1)</i>	US\$0.26	RMB2.19	RMB1.60

Note:

1 Earnings per share

The calculation of basic earnings per share is based on the weighted average number of shares outstanding during the applicable period.

The weighted average number of shares of Common Stock outstanding was 17,526,000 for each of the years ended December 31, 2001 and 2000.

As there were no diluted potential common shares in 2001 and 2000, the amounts of diluted earnings per share are the same as that of basic earnings per share for both of the years.



CONSOLIDATED BALANCE SHEETS

	2001 <i>US\$'000</i>	2001 <i>RMB'000</i>	2000 <i>RMB'000</i>
ASSETS			
Current assets:			
Cash	15,133	125,299	167,669
Prepayments, deposits and other receivables	407	3,372	2,061
Total current assets	15,540	128,671	169,730
Amounts due from related parties	16,432	136,058	95,341
Property and equipment, net	5,356	44,346	45,879
Investments in PRC joint ventures	50,676	419,599	420,121
Investments in associated companies	8,543	70,735	71,740
Total assets	96,547	799,409	802,811
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Accounts payable and accrued expenses	369	3,050	7,482
Total current liabilities	369	3,050	7,482
Amount due to a related party	627	5,192	6,134
Shareholders' equity:			
Capital stock – Common stock, par value US\$0.10 per share, 25,000,000 shares authorized; 17,526,000 shares outstanding	1,286	10,652	10,652
Additional paid-in capital	89,472	740,828	740,828
Retained earnings	4,793	39,687	37,715
Total shareholders' equity	95,551	791,167	789,195
Total liabilities and shareholders' equity	96,547	799,409	802,811



Financial Review (continued)

SUMMARY OF FINANCIAL INFORMATION

	For the years ended 31st December,		
	2001 US\$'000	2001 RMB'000	2000 RMB'000
Ek Chor China			
Share of net income of joint ventures and associated companies	6,995	57,922	61,829
Provision for investments	–	–	(14,263)
Income before income taxes and minority interests	4,516	37,397	27,630
Net income	4,630	38,339	27,978
Basic and diluted earnings per share	US\$0.26	RMB2.19	RMB1.60
Luoyang Motorcycle			
Net sales	79,217	655,915	843,623
Operating income/(loss)	(2,780)	(23,018)	359
Income/(Loss) before taxes	(2,648)	(21,923)	6,717
Net income/(loss)	(3,022)	(25,023)	664
Shanghai Machinery			
Net sales	119,056	985,784	954,698
Operating income	23,366	193,473	175,478
Income before taxes	22,322	184,826	160,793
Net income	16,112	133,406	105,430
Deni Carburetor			
Net sales	24,819	205,499	230,209
Operating income	4,130	34,194	39,668
Income before taxes	3,803	31,487	30,897
Net income	3,112	25,765	26,894
ECI Metro			
Net sales	31,086	257,389	285,927
Operating income	641	5,308	9,800
Income before taxes	152	1,258	8,621
Net income	217	1,800	7,323
Shanghai Nissei			
Net sales	10,707	88,652	61,101
Operating income	1,384	11,461	1,752
Income before taxes	1,343	11,122	662
Net income	1,343	11,122	662



UNIT SALES

	Unit sales for the		% Increase/ (Decrease) over 2000
	years ended 31st December,	2000	
	2001		
Luoyang Motorcycle – 50cc model	13,018	5,934	119.4
– 90cc model	86,715	128,415	(32.5)
– 100cc model	54,503	36,811	48.1
– 110cc model	7,510	33,456	(77.6)
– 125cc model	28,661	26,479	8.2
– 150cc model	535	156	242.9
	190,942	231,251	(17.4)
Shanghai Machinery – Air conditioner compressors	736,493	599,751	22.8
– Receiver-dryers	475,105	417,669	13.8
Deni Carburetor – Motorcycle carburetors	2,246,200	2,003,597	12.1
– Automotive carburetors	20,400	38,228	(46.6)