

◀ Consolidated Cash Flow Statement ▶

For the year ended 31 December 2002

	2002	2001
	US\$'000	US\$'000 (Restated)
Cash flows from operating activities		
(Loss) profit before taxation	(16,096)	22,863
Adjustments for:		
Depreciation of property, plant and equipment	5,004	5,437
Interest income	(51)	(53)
Interest expenses	1,521	1,769
Loss on partial disposals of subsidiaries	2,034	–
Loss on disposal of property, plant and equipment	155	23
Share of results of associates	1,680	1,329
Amortisation of goodwill	662	–
Impairment loss recognised in respect of property, plant and equipment	3,975	–
Net realised gain on disposal of investments in securities	(54)	–
Net gain arising from corporate restructuring	–	(25,959)
Write back of provision for loss for bank guarantees granted to associates	–	(4,000)
Gain on deconsolidation of a subsidiary	–	(610)
Gain on buy-back of three-year loan notes at discounted price	–	(252)
Gain on disposal of an associate	–	(18)
Write off of amount due from an associate	–	240
Operating cash flows before movements in working capital	(1,170)	769
Decrease (increase) in inventories	3,689	(1,019)
Decrease in trade and other receivables	2,309	2,245
Decrease in amounts due from associates	1,220	–
Decrease in trade and other payables	(3,351)	(1,482)
Decrease in bills payable	(135)	–
Increase in amounts due from fellow subsidiaries	–	(227)
Decrease in amounts due to associates	–	(31)
Decrease in amounts due to directors	–	(2,686)
Exchange differences	–	(134)
Cash generated from (used in) operations	2,562	(2,565)
PRC Enterprise Income Tax paid	(114)	(380)
Interest paid	(1,521)	(1,769)
Net cash generated from (used in) operating activities	927	(4,714)

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For the year ended 31 December 2002

	NOTES	2002 US\$'000	2001 US\$'000 (Restated)
Cash flows from investing activities			
Purchase of subsidiaries (net of cash and cash equivalents acquired)	36	(6,030)	19
Purchases of property, plant and equipment		(1,083)	(1,798)
Dividends paid to minority shareholders of subsidiaries		(717)	(698)
Proceeds from disposal of property, plant and equipment		1,083	441
Proceeds from disposal of investments in securities		586	–
Interest received		51	53
Purchase of investments in securities		–	(1,974)
Deposit paid to an investment acquisition		–	(86)
Deconsolidation of a subsidiary (net of cash and cash equivalents deconsolidated of)	37	–	(23)
Proceeds from disposal of an associate		–	12
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Net cash used in investing activities		(6,110)	(4,054)
Cash flows from financing activities			
New borrowings raised		7,817	7,634
Capital contribution from minority interests of a subsidiary		5,200	–
Proceeds from issue of shares upon subscription		3,243	4,083
Proceeds from issue of shares upon exercise of warrants		1,940	49
Repayments of borrowings		(9,969)	(898)
Proceeds from issue of shares pursuant to the corporate restructuring		–	11,650
Cash repayment pursuant to the corporate restructuring		–	(6,000)
Buy-back and repayment of three-year loan notes		–	(1,181)
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Net cash generated from financing activities		8,231	15,337
Net increase in cash and cash equivalents		3,048	6,569
Cash and cash equivalents at beginning of the year		1,947	(4,694)
Effect of changes in foreign exchange rates		3	72
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Cash and cash equivalents at end of the year		4,998	1,947
Cash and cash equivalent at end of the year, representing			
Bank balances and cash		5,026	2,028
Bank overdrafts		(28)	(81)
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		4,998	1,947
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