

FINANCIAL ASSISTANCE AND GUARANTEES PROVIDED TO AFFILIATED COMPANIES

The aggregate amount of the financial assistance and guarantees given for banking facilities granted to the affiliated companies of the Company by the Company and the Group as at 30 June 2001 amounted to approximately HK\$319,256,000 which represented approximately 31.0% of the Group's consolidated net asset value as at 30 June 2001. The proforma combined balance sheet of and the Group's attributable interest in these affiliated companies as at 30 June 2001 are disclosed pursuant to paragraph 3.10 of Practice Note 19 of the Rules Governing the Listing of Securities on the Stock Exchange as follows:

	Combined HK\$'000	The Group's attributable interest HK\$'000
NON-CURRENT ASSETS		
Fixed assets	102,367	43,967
Properties under development	22,502	7,876
Interests in associates	56,983	28,492
Long term investments	216	76
	<u>182,068</u>	<u>80,411</u>
CURRENT ASSETS		
Short term investments	10,309	4,577
Inventories	72,850	32,017
Properties held for sale	38,227	19,114
Trade receivables	59,282	25,937
Prepayments, deposits and other receivables	52,817	21,157
Due from holding companies	97	48
Due from related companies	4,629	1,964
Prepaid tax	1,279	593
Cash and bank balances	24,778	11,350
	<u>264,268</u>	<u>116,757</u>

**FINANCIAL ASSISTANCE AND GUARANTEES PROVIDED TO
AFFILIATED COMPANIES** (continued)

	Combined HK\$'000	The Group's attributable interest HK\$'000
CURRENT LIABILITIES		
Trade payables	31,020	13,142
Other payables and accruals	34,816	15,157
Bills payable and import loans	713	249
Interest-bearing bank and other borrowings	7,627	2,546
Current portion of finance lease payables	1,038	308
Due to holding companies	37,711	11,036
Due to related companies	283,176	139,785
	<u>396,101</u>	<u>182,223</u>
NET CURRENT LIABILITIES	<u>(131,833)</u>	<u>(65,466)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>50,235</u>	<u>14,945</u>
NON-CURRENT LIABILITIES		
Interest-bearing bank and other borrowings	(36,560)	(13,519)
Long term portion of finance lease payables	(152)	(41)
Due to holding companies	(36,481)	(16,414)
	<u>(73,193)</u>	<u>(29,974)</u>
	<u>(22,958)</u>	<u>(15,029)</u>