

The forecast of the combined profit after tax but before extraordinary items of the Group for the year ending 31st March, 2002 is set out in the paragraph headed “Profit forecast and dividends” in the section headed “Financial information” of this prospectus.

(I) BASES AND ASSUMPTIONS

The Directors have prepared the forecast of the combined profit after tax but before extraordinary items of the Group for the year ending 31st March, 2002 on the basis of the audited combined results of the Group for the seven months ended 31st October, 2001, the unaudited management accounts of the Group for the four months ended 28th February, 2002 and a forecast of the combined results of the Group for the remaining one month of the year ending 31st March, 2002. The Directors are not aware of any extraordinary items which have arisen or are likely to arise during the year ending 31st March, 2002. The profit forecast has been prepared on a basis consistent in all material respects with the accounting policies normally adopted by the Group as summarised in the accountants’ report which is set out in Appendix I to this prospectus.

The Directors have made the following principal assumptions in the preparation of the profit forecast:

- (a) there will be no material changes in the existing political, legal, fiscal or economic conditions and no material acts of terrorism in Hong Kong, the PRC, the UK, the US or any of the countries in which the Group carries on its business;
- (b) there will be no material changes in the bases or rates of tax applicable to the Group’s business; and
- (c) there will be no material changes in interest rates or foreign currency exchange rates from those currently prevailing.

(II) LETTERS

Set out below are texts of the letters received by the Directors from Ernst & Young and from Baron Capital Limited, Ka Wah Capital Limited and KGI Asia Limited in connection with the forecast of the combined profit after tax but before extraordinary items of the Group for the year ending 31st March, 2002 and prepared for the purpose of incorporation in this prospectus.

(a) Letter from Ernst & Young



15th Floor
Hutchison House
10 Harcourt Road
Central
Hong Kong

25th March, 2002

The Directors
Kenfair International (Holdings) Limited
Baron Capital Limited
Ka Wah Capital Limited
KGI Asia Limited

Dear Sirs,

We have reviewed the accounting policies and calculations adopted in arriving at the forecast of the combined profit after tax but before extraordinary items of Kenfair International (Holdings) Limited (the “Company”) and its subsidiaries (hereinafter collectively referred to as the “Group”) for the year ending 31st March, 2002, for which the directors of the Company are solely responsible, as set out in the paragraph headed “Profit forecast and dividends” in the section headed “Financial information” in the prospectus of the Company dated 25th March, 2002 (the “Prospectus”). The profit forecast has been prepared by the directors of the Company based on the audited combined results of the Group for the seven months ended 31st October, 2001, unaudited management accounts of the Group for the four months ended 28th February, 2002 and a forecast of the combined results of the Group for the remaining one month of the year ending 31st March, 2002 on the basis that the Group had been in existence throughout the entire financial year ending 31st March, 2002.

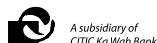
In our opinion, the profit forecast, so far as the accounting policies and calculations are concerned, has been properly compiled on the bases and assumptions adopted by the directors of the Company as set out in Appendix II to the Prospectus, and is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in our Accountants’ Report dated 25th March, 2002, the text of which is set out in Appendix I to the Prospectus.

Yours faithfully,
Ernst & Young
Certified Public Accountants
Hong Kong

(b) Letter from the Sponsor and the Co-sponsors


Baron Capital Limited

Baron Capital Limited
 3106, 31st Floor
 Alexandra House
 16-20 Chater Road
 Central
 Hong Kong

KA WAH CAPITAL LIMITED

Ka Wah Capital Limited
 Unit 6310-6312, 63/F
 The Center, 99 Queen's Road Central
 Hong Kong



KGI Asia Limited
 27th Floor Asia Pacific Finance Tower
 Citibank Plaza, 3 Garden Road
 Central, Hong Kong

25th March, 2002

The Directors
 Kenfair International (Holdings) Limited
 Suite 2803, Tower 6
 The Gateway
 Harbour City
 9 Canton Road
 Kowloon
 Hong Kong

Dear Sirs,

We refer to the forecast of the combined profit after tax but before extraordinary items of Kenfair International (Holdings) Limited (the "Company") and its subsidiaries for the year ending 31st March, 2002, for which the directors of the Company are solely responsible, as set out in the paragraph headed "Profit forecast and dividends" in the section headed "Financial information" of the prospectus issued by the Company dated 25th March, 2002.

We have discussed with you the bases and assumptions upon which the forecast has been made. We have also considered the letter dated 25th March, 2002 addressed to yourselves and ourselves from Ernst & Young regarding the accounting policies and calculations upon which the profit forecast has been made.

On the basis of the assumptions made by you and on the basis of the accounting policies and calculations reviewed by Ernst & Young, we are of the opinion that the profit forecast, for which you as directors of the Company are solely responsible, has been made after due and careful enquiry.

Yours faithfully,
For and on behalf of
Baron Capital Limited
Chiu Sui Keung, Thomas
Director

Yours faithfully,
For and on behalf of
Ka Wah Capital Limited
Samuel Au-Yong
Executive Director

Yours faithfully,
For and on behalf of
KGI Asia Limited
Michael T.P. Sze
Director