

DISCLOSURE PURSUANT TO PRACTICE NOTE 19 OF THE LISTING RULES

As at 30 September 2003, the Group had advances toward the affiliated companies in a total sum of HK\$185 million which exceeds 25% of the Group's net assets. A pro-forma combined balance sheet of these affiliated companies and the Group's attributable interest in these companies as at 30 September 2003 are presented below:

	Unaudited pro-forma combined balance sheet HK\$'000	Group's attributable interest HK\$'000
ASSETS		
Non-current assets		
Property, plant and equipment	8,340	1,668
Current assets		
Debtors, prepayments and other deposits	27,721	10,283
Inventory	895	179
Cash and bank balances	618	124
	<u>29,234</u>	<u>10,586</u>
Current liabilities		
Creditors, deposits and accruals	42,335	13,207
Amount due to immediate holding company	308,361	154,180
	<u>350,696</u>	<u>167,387</u>
Net current liabilities	<u>(321,462)</u>	<u>(156,801)</u>
Total assets less current liabilities	(313,122)	(155,133)
Non-current liabilities		
Long term loans	98,741	19,748
Net liabilities	<u>(411,863)</u>	<u>(174,881)</u>
CAPITAL AND RESERVES		
Share capital	45,426	9,085
Reserves	(457,289)	(183,966)
	<u>(411,863)</u>	<u>(174,881)</u>