

COMPLIANCE WITH PRACTICE NOTE 19 OF THE LISTING RULES

Details of the advances, financial assistance and guarantees provided by the Group to its jointly controlled entities disclosed pursuant to the Practice Note 19 of the Listing Rules as at the latest practicable date on 30 September 2003 are set out as follows:

(i) Loans to and amounts due from jointly controlled entities

HK\$

Westly Limited (Note (a))	<u>96,868,810</u>
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Note:

- (a) The Company holds 50% interest in Westly Limited ("Westly"), and the remaining 50% interest of which is held by a third party independent of the Group. The principal asset of Westly is its 100% interest in Asian Eagle Limited, which is the developer of 12 three-storey detached garden townhouses at No. 23 Pik Sha Road, Pik Sha Wan, Sai Kung, New Territories, Hong Kong. The loans provided by the Company to Westly are mainly for financing the construction of the properties. The properties were all sold. The loan is unsecured, bearing interest at 12% per annum and repayable on demand.

(ii) Corporate guarantees given for banking facilities and subordinated loans granted to jointly controlled entities

HK\$

MT Finance Limited ("MT")

(a) Extent of guarantee provided by the Company	<u>15,000,000</u>
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(b) Banking facilities utilised that were guaranteed by the Company	<u>14,045,353</u>
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- (c) Kincheng Banking Corporation ("Kincheng") has obtained debt judgment on 11 July 2001 against MT for the sum of HK\$13,698,713.97 due together with interest thereon at 17.5% p.a. from 5 September 2000 until payment (HCA10431/2000). On 24 September 2001, Kincheng petitioned for winding up MT (HCW 1094/2001) and on 26 February 2002, the winding-up petition was dismissed by withdrawal.


COMPLIANCE WITH PRACTICE NOTE 19 OF THE LISTING RULES *(Continued)*

(iii) The proforma combined balance sheets of the jointly controlled entities and the Group's attributable interest thereof disclosed in accordance with paragraph 3.10 of the Practice Note 19 of the Listing Rules as at 30 September 2003 are set out as follows:

	Proforma combined balance sheet <i>HK\$</i>	Group's attributable interest <i>HK\$</i>
CURRENT ASSETS		
Other current assets	252,488	126,244
Cash and bank balances	1,942,738	971,369
CURRENT LIABILITIES		
Other loans	(2,500,000)	(1,250,000)
Other current liabilities	(6,028,567)	(3,014,284)
Bank loans and overdrafts	(14,045,353)	(14,045,353)
NET CURRENT LIABILITIES	(20,378,694)	(17,212,024)
LOANS AND AMOUNTS DUE TO SHAREHOLDERS	(348,638,954)	(167,569,477)
NET LIABILITIES	(369,017,648)	(184,781,501)
SHARE CAPITAL AND RESERVES	(369,017,648)	(184,781,501)

Note:

The above proforma financial information is prepared based on the unaudited management accounts each of the jointly controlled entities at the balance sheet date.

Consequent upon the completion of the Restructuring Agreement, the Group's obligation on corporate guarantees to MT has been discharged.

By Order of the Board
Fujian Holdings Limited
MEI Qianping
Director

Hong Kong, 28 January, 2004