

PRACTICE NOTE 19 OF THE LISTING RULES

As at 30 June 2001, the Company had the following outstanding loan facilities, each of which was subject to, inter alia, a specific performance obligation being maintained by the Company's intermediate holding company, COFCO (HK), during the tenure of each loan facility:

- (a) HK\$78,000,000, maturing on 21st September 2001;
- (b) HK\$428,571,000, maturing on 28th November 2002; and
- (c) HK\$77,200,000, maturing on 29th June 2003.

The obligation requires COFCO (HK) to maintain a holding of not less than 40% of the entire issued share capital of the Company throughout the life of each loan facility. A breach of the aforesaid obligation will constitute an event of default under the loan agreement setting out the terms and conditions of each loan facility. As a result of such breach, each loan facility may become due and payable on demand by the lender under the loan agreement according to the terms and conditions thereof.

As at 30 June 2001, COFCO (HK), directly and indirectly, held approximately 50.5% of the issued share capital of the Company.