

# Financial Assistance and Guarantees provided to An Entity and Affiliated Companies

At 31 March 2005

## Relevant advances to an entity

In accordance with rule 13.20 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”), details of relevant advances made by the Group to an entity which exceeded 8% of the Company’s market capitalization as at 31 March 2005 of approximately HK\$875,139,000 (“Market Capitalization”) based on the total number of 259,685,289 shares of the Company in issue on 31 March 2005 and the average closing price of HK\$3.37 per share for the five business days immediately preceding 31 March 2005 are as follows:

As at 31 March 2005, shareholder’s loans made by the Group to Goodwill (Overseas) Ltd., in which the Group has an 18% equity interest, amounted to HK\$94,937,000. The loans are unsecured, interest free and have no fixed terms of repayment. No guarantee has been provided by the Group for the benefit of Goodwill (Overseas) Ltd.

## Pro forma combined balance sheet of affiliated companies

Loans advanced to and guarantees provided by the Group for the benefit of the Group’s affiliated companies (as such term is defined in Chapter 13 of the Listing Rules) as at 31 March 2005 in aggregate exceeded 8% of the Company’s Market Capitalization as at 31 March 2005. In accordance with rule 13.22 of the Listing Rules, a pro forma combined balance sheet of the Group’s affiliated companies as at 31 March 2005 and the Group’s attributable interest therein are set out below:

	<b>Pro forma combined balance sheet HK\$’000</b>	<b>Group’s attributable interest HK\$’000</b>
Fixed assets	107,840	48,971
Associated companies	5,417	2,709
Investment securities	22,982	11,491
Current assets	239,165	135,593
Current liabilities	(166,414)	(81,205)
Long term liabilities	(6,879)	(2,146)
Amounts and loans due to shareholders	<u>(199,038)</u>	<u>(113,966)</u>
	<u>3,073</u>	<u>1,447</u>