

# Strategic Businesses



NWDS established the first store in Wuhan 10 years ago. This outlet is in Harbin.

### New World Department Stores

Total sales of New World Department Stores (“NWDS”) in FY2003 amounted to HK\$2.7 billion. As at the end of June 2003, NWDS had 14 department stores with a total GFA of over 414,300 sq. m. in Hong Kong and in 9 cities in Mainland China. During the period under review, NWDS opened the 30,000 sq. m. Dalian New World Department Store. The expansion project at the

Harbin New World Department Store was completed in April 2003 that increased its GFA from 11,000 sq. m. to 34,000 sq. m..

NWDS launched a co-brand credit card “MuDan Card” with the Industrial and Commercial Bank of China. This co-brand credit card is the first nationally accepted card in Mainland China that combines both the function of shopping benefits and credit spending.

In order to further capture the substantial growing demand in China, three new department stores are scheduled to open in the next 15 months. These stores are located in Hongkou in Shanghai, Chengdu and Nanjing respectively. NWDS will continue to explore investment opportunities for stores in cities around Mainland China.

City	Date of Business Commencement	GFA (sq. m.)
<b>Existing</b>		
Wuhan (Jianshe Dadao) 武漢 (建設大道)	Nov 1994/Sep 2000 <sup>#</sup>	35,000*
Shenyang (Nanjing Street) 瀋陽 (南京街)	Nov 1995	8,400
Wuxi 無錫	Jan 1996	16,000
Harbin 哈爾濱	Nov 1996	34,000
Tianjin 天津	Oct 1997	14,000
Ningbo 寧波	Apr 1998	10,000
Beijing 北京	Jun 1998/Oct 2000 <sup>#</sup>	108,000*
Hong Kong 香港	Apr 1999	13,000*
Shenyang (Taiyuan Street) 瀋陽 (太原街)	Aug 2000	10,400
Shanghai (Central Huaihai Road) 上海 (淮海中路)	Dec 2001	22,500
Wuhan (Jiangnan Road) 武漢 (江漢路)	Dec 2001	23,000
Shanghai (Changning Road) 上海 (長寧路)	Jan 2002	20,000*
Tianjin New World Plaza 天津新世界廣場	Mar 2002	70,000
Dalian 大連	Sep 2002	30,000*
<b>Total</b>		<b>414,300</b>
<b>To be completed</b>		
Shanghai (Hongkou) 上海 (虹口)	end 2003	13,200
Chengdu 成都	2004	12,000
Nanjing 南京	end 2004	36,000
<b>Total</b>		<b>61,200</b>

\* include supermarket

<sup>#</sup> open in two phases

## **TMT**

Following the completion of the Group reorganisation, NWI is focus on its TMT business. During the year, NWI achieved a number of milestones in the TMT arena. Strategic investments were completed to round out the product and service offering while important contracts were signed with leading enterprises in Mainland China TMT sectors. One important breakthrough came with the announcement by PrediWave, an associated company of NWI, a total solution provider of interactive TV services, of commencement of commercial operations in Fujian Province after the completion of a series of successful tests of its interactive and pay TV operating system.

In the months that follow, NWI will introduce a comprehensive corporate strategy to the financial and business communities. This corporate vision will outline the future mission and position of NWI in the TMT marketplace. However, it must be emphasized that the TMT business is not a new endeavor for NWI. The genesis of the Personalised Digital Information model extends back to the early days of TMT with the investment in China Internet Corp., the parent of Chinadotcom. Now that NWI can focus its attention in developing the TMT business model and management is intended to deliver shareholder value by providing leading-edge solutions to the digital world.



Fulintang — one of the investment projects of NWCEP.

### New World China Enterprises

New World China Enterprises Projects Limited (“NWCEP”) is the Group’s wholly owned subsidiary focusing on four core business sectors in the Mainland China market: healthcare and medicine, food and beverage, building materials and household products, and automotive mid-stream and down-stream services.

NWCEP is also responsible for managing investment projects identified by New World Liberty China Ventures Limited (“NWLCV”), established in

December 2000 as a strategic alliance with Liberty Mutual Insurance Company of the United States and other investors including lead participation from the Asian Development Bank. NWLCV is mainly engaging in private equity investments in small and medium-size enterprises in China and providing resources to support and ensure the best corporate governance and management practices are in place for the investee companies. As Mainland China has become a member of WTO since 2001, NWLCV is further committed to helping foster improvements in developing Chinese enterprises, increasing their competitiveness, profitability and corporate efficiency in line with world standards.

Ten projects involving strategic and technology partnerships with a number of international companies have been invested by NWLCV and 65% of the initial US\$150 million capital has been allocated to small and medium-size enterprises in Mainland China.