

Other Information

DIRECTORS' RIGHTS TO ACQUIRE SHARES

Save as disclosed under the section headed "DIRECTORS' INTERESTS IN SECURITIES" below, at no time during the period was the Company or any of its subsidiaries a party to any arrangement to enable the Company's directors, their respective spouse, or children under 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' INTERESTS IN SECURITIES

As at 31 December 2004, the interests and short positions of the directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies were as follows:

(A) Interests in shares

As at 31 December 2004, none of the directors of the Company had any interests in the shares of the Company.

The interests of the directors in the shares of associated corporations were as follows:

	Number of shares/amount of registered capital				Approximate percentage of issued/registered capital as at 31 December 2004
	Personal interests	Family interests	Corporate interests	Total	
New World China Land Limited ("NWCL") (Ordinary shares of HK\$0.10 each) Mr. Doo Wai Hoi, William	700,000	-	-	700,000	0.05%
NWD (Ordinary shares of HK\$1.00 each) Mr. Kwong Che Keung, Gordon	30,000	-	-	30,000	0.00%
New World TMT Limited ("NWTMT") (Ordinary shares of HK\$1.00 each) Dr. Cheng Kar Shun, Henry Mr. Doo Wai Hoi, William	- -	1,000,000 ⁽¹⁾ -	- 12,000,000 ⁽²⁾	1,000,000 12,000,000	0.11% 1.26%
NWS Holdings Limited ("NWSH") (Ordinary shares of HK\$1.00 each) Dr. Cheng Kar Shun, Henry Mr. Chow Yu Chun, Alexander Mr. Doo Wai Hoi, William Mr. Kwong Che Keung, Gordon	2,000,000 2,330,418 1,333,333 400,000	587,000 ⁽¹⁾ - - -	- - 826,000 ⁽²⁾ -	2,587,000 2,330,418 2,159,333 400,000	0.14% 0.13% 0.12% 0.02%
Fung Seng Estate Development (Shanghai) Co., Ltd. (Registered capital in US\$) Mr. Doo Wai Hoi, William	-	-	3,000,000 ⁽³⁾	3,000,000	30.00%
Master Services Limited (Ordinary shares of US\$0.01 each) Mr. Chow Yu Chun, Alexander	16,335	-	-	16,335	1.63%
Nanjing New World Chang Jiang Equipment Co. Ltd. (Registered capital in RMB) Mr. Doo Wai Hoi, William	-	-	5,357,275 ⁽²⁾	5,357,275	21.18%

	Number of shares/amount of registered capital				Approximate percentage of issued/registered capital as at 31 December 2004
	Personal interests	Family interests	Corporate interests	Total	
Nanjing Xinlidao Property Development Ltd. <i>(Registered capital in HK\$)</i> Mr. Doo Wai Hoi, William	-	-	21,000,000 ⁽²⁾	21,000,000	35.00%
Ramada Property Ltd. <i>(Ordinary shares of US\$1.00 each)</i> Mr. Doo Wai Hoi, William	-	-	200 ⁽²⁾	200	20.00%
Shanghai Ju Yi Real Estate Development Co., Ltd. <i>(Registered capital in RMB)</i> Mr. Doo Wai Hoi, William	-	-	105,000,000 ⁽³⁾	105,000,000	30.00%

Notes:

- (1) These shares are held by the spouse of Dr. Cheng Kar Shun, Henry.
- (2) These shares are beneficially owned by companies wholly-owned by Mr. Doo Wai Hoi, William.
- (3) These represent the participating interests held by a company wholly-owned by Mr. Doo Wai Hoi, William.

(B) Interests in underlying shares – share options

(i) The Company

As at 31 December 2004, the following director had personal interest in options to subscribe for shares of the Company granted under the share option scheme of the Company adopted on 11 September 1998 (the "1998 Share Option Scheme"):

Name of director	Number of share options					Date of grant	Exercise Price HK\$	Exercise period
	Balance as at 1 January 2004	Granted during the period	Exercised during the period	Lapsed during the period	Balance as at 31 December 2004			
Lo Lin Shing, Simon	20,000,000	-	-	-	200,000 ⁽¹⁾	8.2.2002	2.44 ⁽¹⁾	9.2.2002 to 8.2.2008

Note:

- (1) Adjustments on the number of share options as well as the exercise price as a result of the completion of the subscription agreement dated 29 March 2004 and the consolidation of the Company's shares from every 100 issued or unissued ordinary shares of HK\$0.01 each into 1 consolidated ordinary share of HK\$1.00 each have been taken into account.

Other Information

(ii) *NWCL*

Under the share option scheme of NWCL, a fellow subsidiary of the Company, the following directors of the Company were granted share options to subscribe for shares in NWCL:

Name of director	Date of grant	Exercise Period ⁽²⁾	Number of share options with exercise price per share of HK\$1.955		
			Balance as at 6 July 2004 ⁽¹⁾	Exercised during the period	Balance as at 31 December 2004
Dr. Cheng Kar Shun, Henry	7.2.2001	8.3.2001 to 7.3.2006	5,000,000	–	5,000,000
Mr. Chow Yu Chun, Alexander	8.2.2001	9.3.2001 to 8.3.2006	2,500,000	–	2,500,000
Mr. Doo Wai Hoi, William	8.2.2001	9.3.2002 to 8.3.2006 ⁽³⁾	2,800,000	–	2,800,000

Notes:

- (1) This is the date on which NWCL became an associated corporation of the Company upon completion of the subscription agreement dated 29 March 2004.
- (2) The share options are exercisable during a period of five years commencing from the expiry of one month after the dates of each grant when the offers of share options were accepted, provided that the maximum number of share options that can be exercised during a year is 20% of the total number of the share options granted together with any unexercised share options carried forward from the previous years, unless otherwise specified in note (3).
- (3) The share options are exercisable during the remaining exercisable period of four years, provided that the maximum number of share options that can be exercised during a year is 25% of the outstanding balance of the share options held together with any unexercised share options carried forward from the previous years.

(iii) NWSH

Under the share option scheme of NWSH, a fellow subsidiary of the Company, the following directors of the Company were granted share options to subscribe for shares in NWSH:

Name of director	Date of grant	Exercise Period	Number of share options with exercise price per share of HK\$3.725		
			Balance as at 6 July 2004 ⁽¹⁾	Exercised during the period	Balance as at 31 December 2004
Dr. Cheng Kar Shun, Henry	21.7.2003	(2)	2,000,000	1,000,000	1,000,000
Mr. Chow Yu Chun, Alexander	21.7.2003	(3)	133,334	–	133,334
Mr. Doo Wai Hoi, William	21.7.2003	(2)	1,333,334	666,667	666,667
Mr. Kwong Che Keung, Gordon	21.7.2003	(2)	400,000	200,000	200,000
Mr. To Hin Tsun, Gerald	21.7.2003	(2)	400,000	200,000	200,000

Notes:

- (1) This is the date on which NWSH became an associated corporation of the Company upon completion of the subscription agreement dated 29 March 2004.
- (2) The exercisable period is from 21 July 2005 to 20 July 2008.
- (3) This is divided into 2 tranches exercisable from 21 July 2004 and 21 July 2005 respectively to 20 July 2008, both dates inclusive.

Other Information

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES

Insofar as is known to the directors of the Company, as at 31 December 2004, the interests or short positions of the persons (other than the directors or chief executive of the Company) in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO were as follows:

Interests in the shares or underlying shares of the Company

Name	Capacity	Number of share/underlying shares			Approximate percentage of issued capital as at 31 December 2004
		Interests in shares	Interests in physically settled unlisted equity derivatives	Total	
NWCBN	Beneficial owner	2,100,000	23,185,245 ⁽¹⁾	25,285,245	31.93%
NWTHL	Interest of a controlled corporation	2,100,000 ⁽²⁾	23,185,245 ⁽²⁾	25,285,245	31.93%
PPG	Beneficial owner	54,056,666	1,000,000,000 ⁽³⁾	1,054,056,666	1,331.18%
NWD	Interest of a controlled corporation	56,156,666 ⁽⁴⁾	1,023,185,245 ⁽⁴⁾	1,079,341,911	1,363.11%
Chow Tai Fook Enterprises Limited ("CTF")	Interest of a controlled corporation	56,156,666 ⁽⁵⁾	1,023,185,245 ⁽⁵⁾	1,079,341,911	1,363.11%
Ms. Ku Ming Mei, Rouisa	Interest of spouse	–	200,000 ⁽⁶⁾	200,000	0.25%

Notes:

- (1) These 23,185,245 underlying shares represent the shares which may be issued upon the exercise of any of the conversion rights attaching to the outstanding convertible note in the principal amount of HK\$28,286,000 issued to NWCBN on 2 November 2001.
- (2) NWCBN is a wholly-owned subsidiary of NWTHL. Accordingly, NWTHL is deemed to be interested in the shares/underlying shares held by NWCBN.
- (3) These 1,000,000,000 underlying shares represent the shares which may be issued upon the exercise of any of the conversion rights attaching to the convertible note in the principal amount of HK\$1,200 million issued to PPG on 6 July 2004.
- (4) Each of PPG and NWTHL is a wholly-owned subsidiary of NWD. Accordingly, NWD is deemed to have an interest in the shares/underlying shares held by PPG and in the shares/underlying shares deemed to be interested by NWTHL.
- (5) CTF and its subsidiaries have interests in more than one-third of the issued shares of NWD and is accordingly deemed to have an interest in the shares/underlying shares deemed to be interested by NWD.
- (6) These 200,000 underlying shares represent the share options granted to Mr. Lo Lin Shing, Simon, the spouse of Ms. Ku Ming Mei, Rouisa and a director of the Company, as disclosed in the section headed "DIRECTORS' INTERESTS IN SECURITIES" above.

SHARE OPTION SCHEME

At an extraordinary general meeting of the Company held on 28 May 2002, the shareholders of the Company approved the termination of the 1998 Share Option Scheme and the adoption of a new share option scheme (the "2002 Share Option Scheme"). The 2002 Share Option Scheme is designed to reward and provide incentives to employees and other stakeholders for their contributions to the Group.

As of 31 December 2004, no share options had been granted under the 2002 Share Option Scheme.

Movements of the share options, which were granted under the 1998 Share Option Scheme, during the period were as follows:

(A) Share options to directors

Details of the share options granted to directors of the Company were disclosed under the section headed "DIRECTORS' INTERESTS IN SECURITIES" above.

(B) Share options to employees

Date of grant	Number of share options				Balance as at 31 December 2004	Exercise Price HK\$	Exercise period
	Balance as at 1 January 2004	Granted during the period	Exercised during the period	Lapsed during the period			
8.2.2002	25,000,000	–	–	25,000 ⁽¹⁾	225,000 ⁽¹⁾	2.44 ⁽¹⁾	9.2.2002 to 8.2.2008

Note:

- (1) Adjustments on the number of share options as well as the exercise price as a result of the completion of the subscription agreement dated 29 March 2004 and the consolidation of the Company's shares from every 100 issued or unissued ordinary shares of HK\$0.01 each into 1 consolidated ordinary share of HK\$1.00 each have been taken into account.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the period.

Other Information

CORPORATE GOVERNANCE

None of the directors of the Company is aware of information that would reasonably indicate that the Company is not, or was not for any part of the accounting period covered by the interim report, in compliance with the Code of Best Practice as set out in Appendix 14 to the Listing Rules which was in force prior to 1 January 2005 except that the non-executive directors and independent non-executive directors of the Company are appointed subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provisions of the Company's articles of association.

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as the code of conduct regarding directors' securities transactions. Having made specific enquiry by the Company, all directors have confirmed that they have complied with the required standard set out in the Model Code during the period under review.

AUDIT COMMITTEE

The audit committee, which comprises the three independent non-executive directors of the Company namely Mr. Cheng Ming Fun, Paul, JP, Mr. Kwong Che Keung, Gordon and Mr. Wei Chi Kuan, Kenny, has reviewed the unaudited financial statements of the Group for the period ended 31 December 2004.

BOARD MEMBERS

As at the date of this report, the Board of the Company comprises (i) five executive directors namely Dr. Cheng Kar Shun, Henry, Mr. Chow Yu Chun, Alexander, Mr. Doo Wai Hoi, William, JP, Mr. To Hin Tsun, Gerald and Dr. Wai Fung Man, Norman; (ii) two non-executive directors namely Mr. Ho Hau Chong, Norman and Mr. Lo Lin Shing, Simon; and (iii) three independent non-executive directors namely Mr. Cheng Ming Fun, Paul, JP, Mr. Kwong Che Keung, Gordon and Mr. Wei Chi Kuan, Kenny.

By Order of the Board

Dr. Wai Fung Man, Norman

Executive Director and Chief Executive Officer

Hong Kong, 14 March 2005