



## SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARE CAPITAL

As at 30th June, 2004, the following substantial shareholders (as defined in the Listing Rules) (not being a Director or chief executive of the Company) had an interest or short position in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO:

### (I) Long Position

Name of Substantial Shareholder	Number of Issued Ordinary Shares Held	Number of Underlying Ordinary Shares (Unissued) Held	Approximate percentage of the Issued Ordinary Shares as at 30th June, 2004
CCIHL (Notes i and v)	4,376,558,443	–	53.73
Century City BVI Holdings Limited (Notes ii and v)	4,376,558,443	–	53.73
PHL (Notes iii and v)	4,376,558,443	–	53.73
Paliburg Development BVI Holdings Limited (Notes iv and v)	4,376,558,443	–	53.73
Paliburg International Holdings Limited (Note iv)	2,390,392,820	–	29.35
Paliburg BVI Holdings Limited (Note iv)	2,390,392,820	–	29.35
Taylor Investments Ltd. (Note iv)	1,402,111,870	–	17.21
Smart Emerald Limited ("Smart Emerald") (Notes iv and v)	722,524,833	–	8.87
Tower Bright Limited ("Tower Bright") (Notes iv and v)	722,524,833	–	8.87
AB (Ultimate Holdings) Limited ("ABUH")	723,043,170	–	8.88
AB Issuer (No.1) Limited ("ABI No.1") (Notes vi and vii)	723,043,170	–	8.88
AB Issuer (No.2) Limited ("ABI No.2") (Notes vi and vii)	723,043,170	–	8.88
Dr. CHOI Chee Ming (Note (viii))	–	800,000,000	9.82
Clovering Enterprise Limited (Notes (viii) and (xi))	–	800,000,000	9.82

## (II) Short Position

Name of Substantial Shareholder	Number of Issued Ordinary Shares Held	Number of Underlying Ordinary Shares (Unissued) Held	Approximate percentage of the Issued Ordinary Shares as at 30th June, 2004
ABUH	723,043,170	–	8.88
ABI No. 1 (Notes vi and vii)	723,043,170	–	8.88
ABI No. 2 (Notes vi and vii)	723,043,170	–	8.88

### Notes:

- (i) These interests in ordinary shares were duplicated in the corporate interests of Mr. Lo Yuk Sui in the Company as disclosed under the section above headed "Directors' Interests in Share Capital" above.
- (ii) This company is a wholly owned subsidiary company of CCIHL and its interests in the ordinary shares of the Company are included in the interests held by CCIHL.
- (iii) PHL is a listed subsidiary company of CCIHL (which, as at 30th June, 2004, held 64.78% shareholding interests in PHL) and its interests in the ordinary shares of the Company are included in the interests held by CCIHL.
- (iv) These companies are wholly owned subsidiary companies of PHL and their interests in the ordinary shares of the Company are included in the interests held by PHL.
- (v) 722,524,833 ordinary shares were charged by Tower Bright in favour of a trustee for the holders of the Series B Bonds (as referred to in Note (d) under the section above headed "Directors' Interests in Share Capital"), as last reported by CCIHL and PHL prior to 30th June, 2004.
- (vi) These companies are wholly owned subsidiary companies of ABUH and their interests in the ordinary shares of the Company are included in the interests held by ABUH.
- (vii) 723,043,170 ordinary shares are deemed interests held by ABI No.1 and ABI No.2, which are the issuers of the Series B Bonds (as referred to in Note (d) under the section above headed "Directors' Interests in Share Capital"), as last reported by such companies prior to 30th June, 2004.
- (viii) The derivative interests in 800,000,000 new ordinary shares of the Company are indirectly held by Dr. Choi Chee Ming, through Clovering Enterprise Limited ("Clovering Enterprise"), and were acquired through the entering into of a conditional subscription agreement dated 3rd June, 2004 between Cheerview Limited ("Cheerview"), a wholly owned subsidiary of the Company, Clovering Enterprise and the Company relating to the issue by Cheerview to Clovering Enterprise 2% Guaranteed Convertible Bonds due 2007 (the "Bonds"), guaranteed by, and convertible into new ordinary shares of, the Company, up to an aggregate principal amount of HK\$200,000,000 (comprising firm bonds of an aggregate principal amount of HK\$100,000,000 (the "Firm Bonds") and optional bonds of up to an aggregate principal amount of HK\$100,000,000). The Bonds will be convertible into a total number of 800,000,000 new ordinary shares of the Company at the initial conversion price of HK\$0.25 per share (subject to adjustments). On 21st July, 2004, the Firm Bonds were issued to Clovering Enterprise. Subsequently, on 18th August, 2004, Dr. Choi Chee Ming was appointed as a Non-Executive Director and the Vice Chairman of the Company.



- (ix) Clovering Enterprise is wholly owned by Dr. Choi Chee Ming and its derivative interests in new ordinary shares of the Company are included in the interests held by Dr. Choi Chee Ming.

Save as disclosed herein, there is no person who, as at 30th June, 2004, had an interest or short position in the shares and underlying shares of the Company which are recorded in the register required to be kept under section 336 of the SFO.