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新創建集團有限公司*
NWS Holdings Limited

(incorporated in Bermuda with limited liability)

(stock code: 0659)

DISCLOSEABLE TRANSACTION

Disposal of Wuhan Bridge Company

14 March 2005

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DEFINITIONS

In this circular, the following expressions have the meanings set out below unless the context otherwise requires:

“Agreement in Principle”	the agreement in principle dated 12 December 2003 and made between NWD(C) and Wuhan Fund Office in relation to the Disposal
“Board”	the board of directors of the Company
“Book Value”	the book value of the unaudited consolidated net asset value of Stalagmite Investments Limited (through which the effective interest in Wuhan Bridge Company is held) as at 30 June 2002, being approximately HK\$751 million
“Company”	NWS Holdings Limited, a company incorporated in Bermuda with limited liability and whose shares are listed on the Main Board of the Stock Exchange
“Compensation Amount”	the amount of cash compensation (net of reasonable expenses) which may be received by the Company as a result of the Wuhan Municipal Government requiring the Yangtze River Bridge No. 2 to cease toll collection from 1 October 2002 and/or the proceeds, if any, from the sale of the effective interest in Wuhan Bridge Company to the PRC shareholders or the Wuhan Municipal Government
“Disposal”	the disposal by the Group of its approximately 48.86% effective interest in the issued shares of Wuhan Bridge Company to Wuhan Fund Office as contemplated under the S&P Agreement
“Group”	collectively, the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	10 March 2005, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining information contained in this circular
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as contained in Appendix 10 to the Listing Rules
“NWD”	New World Development Company Limited, a company incorporated in Hong Kong and whose shares are listed on the Main Board of the Stock Exchange
“NWD(C)”	New World Development (China) Limited, a fellow subsidiary of the Company, the interest of which in Wuhan Bridge Company are held in trust for Stalagmite Investments Limited, an indirect wholly-owned subsidiary of the Company. New World Development (China) Limited is a wholly-owned subsidiary of New World China Land Limited, of which New World Development Company Limited holds approximately 70% interest

DEFINITIONS

“NWTMT”	New World TMT Limited (formerly known as New World Infrastructure Limited), a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Main Board of the Stock Exchange
“PRC”	The People’s Republic of China
“Reorganization Circular”	the circular of the Company dated 18 November 2002 in relation to, among other matters, the reorganization of various companies involving, among others, the Company and NWTMT
“S&P Agreement”	the formal sale and purchase agreement dated 28 February 2005 and made between NWD(C) and Wuhan Fund Office in relation to the Disposal
“Sanzhen”	武漢三鎮實業控股股份有限公司 (Wuhan San Zhen Industries Holdings Co., Ltd.), a joint stock company incorporated in the PRC and whose shares are listed on the Shanghai Stock Exchange
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Wuhan Bridge Company”	武漢橋樑建設股份有限公司 (Wuhan Bridge Construction Co., Ltd.), a sino-foreign joint stock company incorporated in the PRC
“Wuhan Fund Office”	武漢市城市建設基金管理辦公室 (Wuhan City Construction Fund Management Office), being the purchaser named in the S&P Agreement
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

For the purposes of this circular and for illustration purpose only, amounts denominated in RMB have translated into HK\$ using the following rate:

$$HK\$1 = RMB1.07$$

No representation is made that any amount in RMB or HK\$ could have been or could be converted at the above rate or at any other rates at all.

English translation of the Chinese names of the PRC entities in this circular are for identification purposes only.



新創建集團有限公司*
NWS Holdings Limited

(incorporated in Bermuda with limited liability)

(stock code: 0659)

Executive Directors:

Dr. Cheng Kar Shun, Henry (*Chairman*)
Mr. Doo Wai Hoi, William (*Deputy Chairman*)
Mr. Chan Kam Ling (*Chief Executive Officer*)
Mr. Tsang Yam Pui
Mr. Wong Kwok Kin, Andrew
Mr. Lam Wai Hon, Patrick
Mr. Cheung Chin Cheung

Non-executive Directors:

Mr. Wilfried Ernst Kaffenberger (alternate
director to Mr. Wilfried Ernst Kaffenberger:
Mr. Yeung Kun Wah, David)
Mr. To Hin Tsun, Gerald
Mr. Dominic Lai

Independent Non-executive Directors:

Mr. Kwong Che Keung, Gordon
Mr. Cheng Wai Chee, Christopher
The Honourable Shek Lai Him, Abraham

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head office and principal place
of business in Hong Kong:*

28/F., New World Tower
18 Queen's Road Central
Hong Kong

14 March 2005

To the Shareholders

Dear Sir or Madam,

DISCLOSEABLE TRANSACTION
Disposal of Wuhan Bridge Company

INTRODUCTION

Reference is made to the announcements made by the Company dated 12 December 2003 and 28 February 2005 relating to, among other things, the Disposal.

On 28 February 2005, NWD(C) and Wuhan Fund Office entered into the S&P Agreement whereby NWD(C) agreed to sell and Wuhan Fund Office agreed to buy the Group's effective interests of 48.86% in Wuhan Bridge Company, being the entire interest held by the Group in Wuhan Bridge Company, at the consideration of RMB1.18 billion (equivalent to approximately HK\$1.10 billion).

* For identification purposes only

LETTER FROM THE BOARD

The Disposal constitutes a discloseable transaction of the Company under the Listing Rules. The purpose of this circular is to provide you with further information regarding the Disposal.

To the best knowledge, information and belief of the Board, and having made all reasonable enquiries, Wuhan Fund Office is a third party independent of the Company and any connected persons of the Company.

S&P AGREEMENT

Date: 28 February 2005

Parties

Vendor: NWD(C)
Purchaser: Wuhan Fund Office

Consideration

The consideration payable by Wuhan Fund Office to the Group is RMB1.18 billion (equivalent to approximately HK\$1.10 billion), of which approximately RMB1.13 billion (equivalent to approximately HK\$1.06 billion) was received by the Group during the years of 2003 and 2004 by several instalments pursuant to the Agreement in Principle and the remaining RMB50 million (equivalent to approximately HK\$47 million) shall be payable on or before the 15th day after the approval of the Disposal by the relevant PRC governmental authorities. Payment for the consideration shall be made in cash in Renminbi.

The consideration for the Disposal is arrived at after arm's length negotiation between Wuhan Fund Office and the management of the Group by reference to an internal assessment of the expected income generated by Wuhan Bridge Company through the mediation of the relevant PRC governmental authorities.

Assets to be disposed of

Pursuant to the S&P Agreement, NWD(C) agreed, subject to certain conditions, to sell and Wuhan Fund Office agreed to buy the Group's interests in Wuhan Bridge Company. The nature of business of Wuhan Bridge Company is more particularly described in the section headed "Background information of Wuhan Bridge Company" below. Such interests were acquired by the Group from NWTMT pursuant to the transactions more particularly described in the Reorganization Circular dated 18 November 2002.

As also set out in the Reorganization Circular, the consideration for the acquisition of the effective interest from NWTMT by the Group is subject to adjustment depending on the Compensation Amount, being RMB1.18 billion (equivalent to approximately HK\$1.10 billion) net of all reasonable expenses. If the Compensation Amount exceeds the Book Value, being approximately HK\$751 million, the Company is required to pay to NWTMT an amount equivalent to half of the amount by which the Compensation Amount exceeds the Book Value. If the Compensation Amount is less than the Book Value, NWTMT is required to pay to the Company an amount equivalent to the amount by which the Book Value exceeds the Compensation Amount.

LETTER FROM THE BOARD

It is estimated that the Compensation Amount to be received by the Group from the Disposal will be approximately HK\$1.05 billion. Subject to the finalization of such amount, the Group will be required to pay NWTMT approximately HK\$150 million under the above circumstances. The payment schedule of the excessive Compensation Amount is to be agreed between the Company and NWTMT.

The Board expects that by reference to its carrying value in the accounts of the Company, an estimated gain in the amount of approximately HK\$190 million will arise as a result of the disposal of the Group's interest in Wuhan Bridge Company. It is expected that such disposal gain will enhance the financial position and reduce the gearing level of the Group.

Completion

As Wuhan Bridge Company is a sino-foreign joint stock company incorporated in the PRC, the transfer of its shares is subject to the approval by the relevant PRC governmental authorities. Completion of the Disposal will take place upon the obtaining of all necessary approvals from the relevant PRC governmental authorities.

REASONS FOR THE DISPOSAL

In September 2002, the Wuhan Municipal Government announced that the toll collection right of five bridges in Wuhan, including Yangtze River Bridge No. 2, a toll bridge operated by Wuhan Bridge Company, would be ceased with effect from 1 October 2002 and that the Wuhan Municipal Government has undertaken to compensate investors of such bridges on mutually acceptable terms. The Company therefore reached an agreement with Wuhan Fund Office in relation to the Disposal and accordingly, the Agreement in Principle was signed by NWD(C) and Wuhan Fund Office on 12 December 2003.

The Board believes that the terms of the Disposal are fair and reasonable and in the interests of the shareholders of the Company as a whole.

USE OF PROCEEDS

The net proceeds from the Disposal, after payment of approximately HK\$150 million to NWTMT as mentioned in the section headed "Assets to be disposed of" above, are intended to be utilized to repay certain bank borrowings, to explore new investment opportunities and as general working capital of the Group. As at the Latest Practicable Date, the Group has not yet determined in which proportion the net proceeds from the Disposal should be applied to such intended uses. To the extent that the net proceeds received by the Group are not immediately applied for the above purposes, it is the present intention of the Board that they will be deposited with licensed banks in Hong Kong.

BACKGROUND INFORMATION OF WUHAN FUND OFFICE

As confirmed by Wuhan Fund Office, it is an entity under the auspices of the Wuhan Municipal Government and is independent from and not connected with any of the existing shareholders of Wuhan Bridge Company. To the best knowledge of the Board after making reasonable enquiry, Wuhan Fund Office is independent from and not connected with any of the directors, chief executive and substantial shareholders of the Company or any of its subsidiaries or any of its associates (as such term is defined in the Listing Rules).

LETTER FROM THE BOARD

BACKGROUND INFORMATION OF WUHAN BRIDGE COMPANY

Wuhan Bridge Company, which was established in 1994, is engaged in the construction, operation and management of bridges in Wuhan Municipal City, Hubei Province, the PRC. Based on the unaudited management accounts of Wuhan Bridge Company as at 30 June 2004 (prepared in accordance with the generally accepted accounting principles in Hong Kong), its net asset value amounted to approximately RMB2.1 billion (approximately HK\$2.0 billion). There was no profit attributable to the Group's interests in Wuhan Bridge Company for the two years ended 30 June 2003 and 2004 since the toll collection right of a toll bridge operated by the Wuhan Bridge Company was ceased with effect from 1 October 2002.

INFORMATION ON THE GROUP

The principal activities of the Group are: (i) the investment in and/or operation of facilities, contracting, transport, financial and environmental services businesses; (ii) the development, investment, operation and/or management of toll roads, expressways, bridge and tunnel, power plants, water treatment and waste management plants; and (iii) the development, investment, operation and management of container handling, logistics and warehousing businesses.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendix to this circular.

Yours faithfully,
Dr. Cheng Kar Shun, Henry
Chairman

1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Board collectively and individually accepts full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

2. INTERESTS OF DIRECTORS OR CHIEF EXECUTIVE OF THE COMPANY

As at the Latest Practicable Date, the interests of directors and chief executive of the Company in the shares, underlying shares (within the meaning of Part XV of the SFO) or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which would be required to be: (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests which a director or chief executive of the Company would be taken or deemed to have under such provisions of the SFO); (ii) entered into the register kept by the Company pursuant to Section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

2.1 Interests in shares

	Shares/Equity Interest/Participating Interest Number/Amount			
	Personal	Family	Corporate ⁽¹⁾	Other
The Company				
(Ordinary shares of HK\$1.00 each)				
Dr. Cheng Kar Shun, Henry	2,000,000	587,000	—	—
Mr. Doo Wai Hoi, William	1,333,333	—	826,000	—
Mr. Chan Kam Ling	767,324	—	10,254,321	—
Mr. Wong Kwok Kin, Andrew	4,068,348	2,650,051	—	—
Mr. Lam Wai Hon, Patrick	502,466	—	265,139	—
Mr. Cheung Chin Cheung	758,700	—	—	—
Mr. Kwong Che Keung, Gordon	400,000	—	—	—
Mr. Cheng Wai Chee, Christopher	400,000	—	—	—
Dr. Cheng Chi Pang, Leslie ⁽²⁾	176,759	—	—	—
Associated Corporations				
NWD				
(Ordinary shares of HK\$1.00 each)				
Mr. Chan Kam Ling	135,335	—	—	—
Mr. Cheung Chin Cheung	60,652	—	—	—
Mr. Kwong Che Keung, Gordon	30,000	—	—	—
Dr. Cheng Chi Pang, Leslie ⁽²⁾	1,400	—	—	—
NWTMT				
(Ordinary shares of HK\$1.00 each)				
Dr. Cheng Kar Shun, Henry	—	1,000,000	—	—
Mr. Doo Wai Hoi, William	—	—	12,000,000	—
Mr. Chan Kam Ling	6,800	—	—	—
Mr. Cheung Chin Cheung	100,000	—	—	—
Dr. Cheng Chi Pang, Leslie ⁽²⁾	200	—	—	—

	Shares/Equity Interest/Participating Interest Number/Amount			
	Personal	Family	Corporate ⁽¹⁾	Other
New World China Land Limited				
(Ordinary shares of HK\$0.10 each)				
Mr. Doo Wai Hoi, William	700,000	—	6,020,000	—
Mr. Chan Kam Ling	400,000	—	—	—
Mr. Wong Kwok Kin, Andrew	600,000	—	—	—
Fung Seng Estate Development (Shanghai) Co., Ltd.				
(Registered capital in US\$)				
Mr. Doo Wai Hoi, William	—	—	US\$3,000,000	—
HH Holdings Corporation				
(Ordinary shares of HK\$1.00 each)				
Mr. Chan Kam Ling	15,000	—	—	—
Master Services Limited				
(Ordinary shares of US\$0.01 each)				
Mr. Chan Kam Ling	16,335	—	—	—
Mr. Wong Kwok Kin, Andrew	44,915	—	—	—
Nanjing New World Chang Jiang Equipment Co. Ltd.				
(Registered capital in RMB)				
Mr. Doo Wai Hoi, William	—	—	RMB5,357,275	—
Nanjing Xinlidao Property Development Limited				
(Registered capital in HK\$)				
Mr. Doo Wai Hoi, William	—	—	HK\$21,000,000	—
Ramada Property Ltd.				
(Ordinary shares of US\$1.00 each)				
Mr. Doo Wai Hoi, William	—	—	200	—
Shanghai Ju Yi Real Estate Development Co., Ltd.				
(Registered capital in RMB)				
Mr. Doo Wai Hoi, William	—	—	RMB105,000,000	—
Wai Kee Holdings Limited				
(Ordinary shares of HK\$0.10 each)				
Mr. Lam Wai Hon, Patrick	300,000	—	—	—
Dr. Cheng Chi Pang, Leslie ⁽²⁾	500,000	—	—	—

Notes:

(1) These shares were beneficially owned by a company in which the relevant director or chief executive of the Company is deemed to be entitled under the SFO to exercise or control the exercise of one-third or more of the voting power at its general meeting.

(2) Dr. Cheng Chi Pang, Leslie is the Chief Executive of the Company.

2.2 Interests in underlying shares through equity derivatives (within the meaning of Part XV of the SFO)

Under the respective share option schemes of the Company, New World China Land Limited and New World Mobile Holdings Limited, options may be granted to their respective directors and employees and also to certain eligible participants of the Company (as defined in its share option scheme) to subscribe for shares. The following directors or chief executive of the Company have personal interests in the following share options granted to them to subscribe for shares in the Company, New World China Land Limited and New World Mobile Holdings Limited:

	Date of grant	Exercisable period (Note)	Number of share options outstanding
The Company			
(Exercise price of HK\$3.725 per share)			
Dr. Cheng Kar Shun, Henry	21 July 2003	(1)	1,000,000
Mr. Doo Wai Hoi, William	21 July 2003	(1)	666,667
Mr. Chan Kam Ling	21 July 2003	(1)	666,667
Mr. Wong Kwok Kin, Andrew	21 July 2003	(1)	466,667
Mr. Lam Wai Hon, Patrick	21 July 2003	(2)	933,334
Mr. Cheung Chin Cheung	21 July 2003	(1)	200,000
Mr. Wilfried Ernst Kaffenberger	21 July 2003	(3)	600,000
Mr. To Hin Tsun, Gerald	21 July 2003	(1)	200,000
Mr. Dominic Lai	21 July 2003	(1)	200,000
Mr. Kwong Che Keung, Gordon	21 July 2003	(1)	200,000
Mr. Cheng Wai Chee, Christopher	21 July 2003	(1)	200,000
Dr. Cheng Chi Pang, Leslie ⁽⁶⁾	21 July 2003	(3)	300,000
New World China Land Limited			
(Exercise price of HK\$1.955 per share)			
Dr. Cheng Kar Shun, Henry	7 February 2001	8 March 2001 to 7 March 2006 ⁽⁴⁾	5,000,000
Mr. Doo Wai Hoi, William	8 February 2001	9 March 2002 to 8 March 2006 ⁽⁵⁾	2,800,000
Mr. Chan Kam Ling	9 February 2001	10 March 2005 to 9 March 2006	100,000
New World Mobile Holdings Limited			
(Exercise price of HK\$1.26 per share)			
Dr. Cheng Kar Shun, Henry	28 January 2005	28 January 2005 to 31 December 2010	780,000
Mr. Doo Wai Hoi, William	28 January 2005	28 January 2005 to 31 December 2010	300,000
Mr. To Hin Tsun, Gerald	28 January 2005	28 January 2005 to 31 December 2010	482,000
Mr. Kwong Che Keung, Gordon	28 January 2005	28 January 2005 to 31 December 2010	78,000

Notes:

- (1) Exercisable from 21 July 2005 to 20 July 2008, both dates inclusive.
- (2) Divided into 2 tranches exercisable from 21 July 2004 and 21 July 2005 respectively to 20 July 2008, both dates inclusive.
- (3) Divided into 3 tranches exercisable from 21 January 2004, 21 July 2004 and 21 July 2005 respectively to 20 July 2008, both dates inclusive.
- (4) 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 the 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 year(s).
- (5) 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.
- (6) Dr. Cheng Chi Pang, Leslie is the Chief Executive of the Company.

2.3 Interests in qualifying shares

As at the Latest Practicable Date, none of the directors or chief executive of the Company had any interest in the shares of the Company or any of its subsidiaries solely held in a non-beneficial capacity and for the purpose of holding the requisite qualifying shares.

Other than the interests in shares, underlying shares and debentures set out above, as at the Latest Practicable Date, none of the directors or chief executive of the Company had any interest or short position in the shares, underlying shares (within the meaning of Part XV of the SFO) or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would be required to be: (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which a director or chief executive of the Company would be taken or deemed to have under such provisions of the SFO); (ii) entered in the register kept by the Company pursuant to Section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code.

3. SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as is known to any director or chief executive of the Company, the following persons had an interest in the shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept under Section 336 of the SFO:

Name	Nature of interest	Number of shares	Aggregate Interest	
			Total number of shares	Approximate percentage of interests
Chow Tai Fook Enterprises Limited	beneficial owner	59,831,893	—	—
	interest of controlled corporation ⁽¹⁾	969,779,643	1,029,611,536	56.99%
NWD	beneficial owner	664,587,141	—	—
	interest of controlled corporations ⁽²⁾	305,192,502	969,779,643	53.68%
Mombasa Limited	beneficial owner	303,221,591	303,221,591	16.78%

Notes:

- (1) Chow Tai Fook Enterprises Limited (together with its subsidiaries) have interests in more than one-third of the issued shares of NWD and Chow Tai Fook Enterprises Limited is accordingly deemed to have an interest in the shares interested by or deemed to be interested by NWD.
- (2) NWD indirectly holds 100% interest in Mombasa Limited and is accordingly deemed to have an interest in the shares held by Mombasa Limited in the Company. NWD is also beneficially interested in 664,587,141 shares in the Company, and is also deemed to be interested in 1,970,911 shares in the Company which are held by Financial Concepts Investment Limited, a non-wholly owned subsidiary of NWD.

As at the Latest Practicable Date, so far as is known to any director or chief executive of the Company and save as otherwise disclosed in this circular, the persons (other than a director or chief executive of the Company or a member of the Group) who were directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any subsidiary of the Company were as follows:

Name of shareholder	Name of subsidiary of the Company	Approximate percentage of interest held
Architectural Precast Limited	Architectural Precast GRC Limited	35.00%
Asian East Worldwide Limited	Guangzhou Northring Freeway Company Limited	24.30%
Bioforte (Hong Kong) Environmental Engineering And Technology Company Limited	BioEnviroLink Technologies Limited	30.00%
Changzhi City Changda Highway Development Company	Shanxi Xinda Highways Limited	40.00%
Changzhi City Changda Highway Development Company	Shanxi Xinhuang Highways Limited	40.00%
Cinagro Pte Limited	Cinabel (Singapore) Pte Limited	20.00%
Foshan City Gaoming District Traffic Development Co.	Gaoming Xinming Bridge Company Limited	49.00%
Guangxi Beiliu Gaote Co. Ltd.	Guangxi Beiliu Xinbei Highways Limited	40.00%
Guangxi Cangwu County Electric Power Co. Ltd.	Guangxi Cangwu Xincang Highways Limited	30.00%
Guangxi Rongxian Road & Bridge Construction Co. Ltd.	Guangxi Rongxian Xinrong Highways Limited	30.00%
Guangxi Wuzhou Heng Tong Development Ltd.	Wuzhou Xinwu Highways Limited	40.00%
Guangxi Yulin City Heng Tong Ltd.	Guangxi Yulin Xintong Highways Limited	40.00%
Guangxi Yulin City Heng Tong Ltd.	Guangxi Yulin Xinye Highways Limited	40.00%
Guangxi Yulin Yu Shieh Ltd.	Guangxi Yulin Xinyu Highways Limited	40.00%
Guangzhou Yongtong Freeway Company Ltd.	Guangzhou Northring Freeway Company Limited	10.41%
Gujiao Highway-Bridge Development & Construction Company	Taiyuan Xinyuan Highways Limited	40.00%
Hong Kong Ticketing Alliance Limited	Hong Kong Ticketing Holdings Limited	38.32%
Huns Engineering Company Limited	Huns-Majestic Joint Venture	40.00%
Junglesoft Inc.	JungleSoft Net Limited (In creditors' voluntary liquidation)	20.00%
Miramar Hotel & Investment Company Limited	Espora Company Limited	50.00%
Nanjing Port Authority	Nanjing Huining Wharfs Co., Ltd.	45.00%
New Concepts Foundation Limited	Barbican-New Concepts Joint Venture	40.00%
Qingxin County Communications Construction Development Co.	Qingyuan Xinqing Highways Limited	21.00%
Shine Vision International Limited	Carpark Solution Enterprise Limited	35.00%
Taisei Corporation	Hip Hing-Taisei Joint Venture	40.00%
Taiyuan Tongtai Industry & Commerce General Company	Taiyuan Xintai Highways Limited	40.00%

Name of shareholder	Name of subsidiary of the Company	Approximate percentage of interest held
Tianjin Expressway Investment & Construction Development Corporation	Tianjin Xindi Expressway Company Limited	33.38%
Tianjin Expressway Investment & Construction Development Corporation	Tianjin Xinlong Expressway Company Limited	33.38%
Tianjin Expressway Investment & Construction Development Corporation	Tianjin Xinlu Expressway Company Limited	33.38%
Tianjin Expressway Investment & Construction Development Corporation	Tianjin Xinming Expressway Company Limited	33.38%
Tianjin Expressway Investment & Construction Development Corporation	Tianjin Xinqing Expressway Company Limited	33.38%
Tianjin Expressway Investment & Construction Development Corporation	Tianjin Xinquan Expressway Company Limited	33.38%
Tianjin Expressway Investment & Construction Development Corporation	Tianjin Xinsen Expressway Company Limited	33.38%
Tianjin Expressway Investment & Construction Development Corporation	Tianjin Xinshi Expressway Company Limited	33.38%
Tianjin Expressway Investment & Construction Development Corporation	Tianjin Xinsi Expressway Company Limited	33.38%
Tianjin Expressway Investment & Construction Development Corporation	Tianjin Xintong Expressway Company Limited	33.38%
Tianjin Expressway Investment & Construction Development Corporation	Tianjin Xintuo Expressway Company Limited	33.38%
Tianjin Expressway Investment & Construction Development Corporation	Tianjin Xinxiang Expressway Company Limited	33.38%
Tianjin Expressway Investment & Construction Development Corporation	Tianjin Xinyan Expressway Company Limited	33.38%
Tianjin Expressway Investment & Construction Development Corporation	Tianjin Xinzhan Expressway Company Limited	33.38%
Wiseful Engineering Group Limited	Kentfull Engineering Company Limited	40.00%
Wuhan Airport Road Industrial Development Co., Ltd.	Wuhan Airport Road Development Limited	33.33%
Xiamen COSCO International Container Freight Station & Transportation Co., Ltd.	Xiamen Xinyuan Container Terminal Co., Ltd.	30.00%
北京市萬勝全物業管理中心	Beijing Kiu Lok Property Management Services Co., Ltd.	40.00%
北京建工集團有限責任公司	Beijing Hip Hing Construction Engineering Company Limited	25.00%
北京崇建工程公司	Beijing Hip Hing Construction Engineering Company Limited	20.00%
武漢武建鼎安安裝工程有限公司	Trihan Engineering (Wuhan) Co., Ltd.	49.00%
珠海市萬泉河科技發展有限公司	深圳香島園花卉有限公司	20.00%
珠海國際經濟技術合作公司	珠海市景福工程有限公司	20.00%
深圳市高成達機械電子有限公司	襄樊高成達停車場管理有限公司	35.00%
順德市誠業建築集團公司	Shunde Xiexing Construction Engineering Company Limited	15.00%
廣州市新運行汽車運輸有限公司	廣州銳萊停車場設備有限公司	10.00%
廣州市機電安裝公司	Triguang Engineering (Guang Zhou) Company Limited	49.00%

Save as disclosed above, as at the Latest Practicable Date and so far as is known to any director or chief executive of the Company, no other person had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and no other persons (other than a director or chief executive of the Company or a member of the Group) were directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any subsidiary of the Company or had any options in respect of any such share capital of any subsidiary of the Company.

4. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, the following directors are considered to have interests in the business which compete or are likely to compete, either directly or indirectly, with the business of the Group pursuant to the Listing Rules as set out below:

Name	Name of entity whose business is considered to compete or likely to compete with the businesses of the Group	Description of business of the entity which is considered to compete or likely to compete with the businesses of the Group	Nature of interest of the director in the entity
Dr. Cheng Kar Shun, Henry	Chow Tai Fook Enterprises Limited group of companies	Investment in bus services business	Director
	HKR International Limited group of companies	Construction and property management	Director
	Shun Tak Holdings Limited group of companies	Investment in ferry services business	Director
	Tamman Developments Limited	Investment in airport operation business	Director
Mr. Chan Kam Ling	Qingyuan Qiaoyuan Power Plant Company Limited	Operation of power plant	Director
Mr. Lam Wai Hon, Patrick	Wai Kee Holdings Limited group of companies	Contracting	Director

5. ADDITIONAL DISCLOSURE OF INTERESTS

As at the Latest Practicable Date:

- (a) none of the directors was materially interested in any contract or arrangement subsisting at the date of this circular which is significant in relation to the business of the Group;
- (b) none of the directors had entered, or proposed to enter, into a service contract with any member of the Group which is not determinable by the relevant member of the Group within one year without payment of compensation, other than statutory compensation; and
- (c) none of the directors had any direct or indirect interest in any asset which, since 30 June 2004 (the date to which the latest published audited financial statements of the Group were made up), had been acquired or disposed of by, or leased to, any member of the Group, or was proposed to be acquired or disposed of by, or leased to, any member of the Group.

6. MATERIAL ADVERSE CHANGE

The Board is not aware of any material adverse change in the financial or trading position of the Group since 30 June 2004, the date to which the latest published audited financial statements of the Group were made up.

7. LITIGATION

No member of the Group is engaged in any litigation or claim of material importance and, so far as the Board is aware, no litigation or claim of material importance is pending or threatened against any member of the Group.

8. MISCELLANEOUS

- (a) The English text of this circular will prevail over the Chinese text.
- (b) The Qualified Accountant of the Company is Dr. Cheng Chi Pang, Leslie, a Certified Public Accountant.
- (c) The Company Secretary of the Company is Mr. Chow Tak Wing, a Certified Public Accountant and a Chartered Secretary.
- (d) The head office and the principal place of business of the Company is at 28/F., New World Tower, 18 Queen's Road Central, Hong Kong. The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The branch share registrars of the Company in Hong Kong is Standard Registrars Limited whose address is situated at G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong.