

DIRECTORS' INTERESTS IN SHARE CAPITAL

As at 30th June, 2005, 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 associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) of the Company, which (a) are as recorded in the register required to be kept under section 352 of the SFO; or (b) are as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), were as follows:

	Name of Director	Class of Shares Held	Number of Shares Held			Total (Approximate percentage of the Issued Shares as at 30th June, 2005)
			Personal Interests	Corporate Interests	Family/ Other Interests	
1. The Company	Mr. Lo Yuk Sui ("Mr. Lo")	Ordinary (i) issued	220,000	3,784,379,610 (Note a(i))	—	3,784,599,610
		(ii) unissued (Notes a(iii) & (v))	200,022,000	369,805,453 (Notes a(ii) to (iv))	—	569,827,453
					Total (i) & (ii):	4,354,427,063 (51.81%)
		Preference (issued)	—	3,440 (Note a(iv))	—	3,440 (20.54%)
	Dr. Francis Choi Chee Ming	Ordinary (i) issued	115,274,000	—	—	115,274,000
		(ii) unissued	—	800,000,000 (Note b)	—	800,000,000
					Total (i) & (ii):	915,274,000 (10.89%)
	Miss Lo Po Man	Ordinary (i) issued	3,000,000	—	2,503,898 (Note c)	5,503,898
		(ii) unissued	—	—	187,792 (Note c)	187,792
					Total (i) & (ii):	5,691,690 (0.068%)
Ms. Belinda Yeung Bik Yiu	Ordinary (unissued)	1,080,000 (Note d)	—	—	1,080,000 (0.013%)	



Name of Associated Corporation	Name of Director	Class of Shares Held	Number of Shares Held			Family/ Other Interests	Total (Approximate percentage of the Issued Shares as at 30th June, 2005)
			Personal Interests	Corporate Interests			
2. 8D International (BVI) Limited	Mr. Lo	Ordinary (issued)	—	1,000 (Note e)	—	1,000 (100%)	

Notes:

- (a) (i) The issued ordinary shares of the Company were held through companies wholly owned by Paliburg Holdings Limited ("PHL"), in which Century City International Holdings Limited ("CCIHL") held 54.71% shareholding interests.
- (ii) The interests in 369,805,453 unissued ordinary shares of the Company were held through companies wholly owned by PHL, in which CCIHL held 54.71% shareholding interests.
- (iii) The interests in 22,000 and 354,197,026 unissued ordinary shares of the Company related to the interests in the warrants of the Company (the "2007 Warrants") carrying subscription rights in an aggregate amount of HK\$88,554,756.50, which are exercisable during the period from 2nd February, 2005 to 26th July, 2007 to subscribe for a total of 354,219,026 new ordinary shares of the Company at an initial subscription price of HK\$0.25 per ordinary share (subject to adjustment).
- (iv) The interests in 15,608,427 unissued ordinary shares of the Company related to the interests in 3,440 convertible cumulative preference shares of the Company carrying rights to convert into 15,608,427 new ordinary shares of the Company, based on the conversion price of HK\$1.7037 per ordinary share and on a reference amount of US\$1,000 per preference share at the fixed exchange rate of HK\$7.730255 to US\$1.00, during the period from 5th December, 1993 to 5th December, 2008.
- (v) The interests in 200,000,000 unissued ordinary shares of the Company were held through the interests in the options conditionally granted to Mr. Lo, entitling Mr. Lo to subscribe for a total of 200,000,000 new ordinary shares of the Company at an exercise price of HK\$0.75 per ordinary share (subject to adjustments), under The Regal Hotels International Holdings Limited Share Option Scheme adopted by the shareholders of the Company on 16th June, 2005. The conditional grant of such options to Mr. Lo became unconditional on 21st July, 2005. The options will become vested in stages, commencing with 40% of options granted from two years after the offer date of 12th May, 2005 and thereafter a further 20% of options granted for each subsequent year, and be exercisable as follows:

Exercise Period	Number of ordinary shares of the Company under vested options
12th May, 2007 to 11th May, 2011	80,000,000
12th May, 2008 to 11th May, 2011	40,000,000
12th May, 2009 to 11th May, 2011	40,000,000
12th May, 2010 to 11th May, 2011	40,000,000



- (b) The interests in 800,000,000 unissued ordinary shares of the Company were held by Clovering Enterprise Limited ("Clovering Enterprise"), which is a company controlled by Dr. Francis Choi Chee Ming, through its interests in and rights to subscribe for the 2% Guaranteed Convertible Bonds due 2007 (the "Bonds"), guaranteed by, and convertible into new ordinary shares of the Company, for an aggregate principal amount of HK\$200,000,000 issued and to be issued by Cheerview Limited ("Cheerview"), a wholly owned subsidiary of the Company, pursuant to a conditional subscription agreement dated 3rd June, 2004 between Cheerview, the Company and Clovering Enterprise (the "Subscription Agreement"). Such HK\$200,000,000 Bonds comprise the issued firm bonds of an aggregate principal amount of HK\$100,000,000 (the "Firm Bonds") and the optional bonds of up to an aggregate principal amount of HK\$100,000,000 which Clovering Enterprise may subscribe for pursuant to the Subscription Agreement (the "Optional Bonds"). The Firm Bonds are, and the Optional Bonds (when in issue) 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).
- (c) The interests in 2,503,898 issued ordinary shares of the Company and the interests in 187,792 unissued ordinary shares of the Company were held by Miss Lo Po Man as the beneficiary of a trust. The interests in 187,792 unissued ordinary shares related to the interests in the 2007 Warrants carrying subscription rights in an aggregate amount of HK\$46,948.00, which are exercisable during the period from 2nd February, 2005 to 26th July, 2007 to subscribe for a total of 187,792 new ordinary shares of the Company at an initial subscription price of HK\$0.25 per ordinary share (subject to adjustments).
- (d) The interests in these unissued ordinary shares of the Company related to the interests in a share option granted by the Company, details of which are set out in note 19 to the condensed consolidated financial statements.
- (e) 400 shares were held through companies controlled by CCIHL, in which Mr. Lo held 72.62% shareholding interests, and 600 shares were held through a company controlled by Mr. Lo.

Save as disclosed herein, as at 30th June, 2005, none of the Directors and chief executive of the Company had any interests and short positions in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) of the Company, which (a) are required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (b) are required, pursuant to the Model Code to be notified to the Company and the Stock Exchange.

Save as disclosed in note 19 to the condensed consolidated financial statements, during the period, no right has been granted to, or exercised by, the following persons, to subscribe for shares in or debentures of the Company under the Executive Share Option Scheme and the New Share Option Scheme (both as referred to in note 19 to the condensed consolidated financial statements) and no option granted to such persons under the Executive Share Option Scheme and the New Share Option Scheme has been cancelled and lapsed:

- (i) any Director, chief executive or substantial shareholders of the Company, or their respective associates;
- (ii) any participant under the Executive Share Option Scheme and the New Share Option Scheme with options granted in excess of the individual limit;





- (iii) any employee working under employment contract that is regarded as “continuous contract” for the purpose of the Employment Ordinance;
- (iv) any supplier of goods or services; and
- (v) any other participants under the Executive Share Option Scheme and the New Share Option Scheme.