

Disclosure of Interests

Directors' interests

As at 30th June 2005, the interests and short positions of each director 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")) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the director is taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules to be notified to the Company and the Stock Exchange were as follows:

(i) *Interests in shares and underlying shares of the Company*

Name of Director	Nature of interest	Number of issued shares of the Company interested	Number of underlying shares of the Company interested	Approximate percentage of the total number of issued shares (Note 1)
Dr. Stanley Ho	Corporate	7,298,456 (Note 2)	117,912,694 (Note 4)	11.16%
	Personal	22,749,278 (Note 2)	–	2.03%
Mr. Lawrence Ho	Corporate	404,041,630 (Note 3)	117,912,694 (Note 4)	46.50%
	Personal	5,432,612	–	0.48%
Mr. Frank Tsui	Personal	5,400,000	–	0.48%
Mr. Ho Cheuk Yuet (Note 5)	Personal	3,632,612	–	0.32%
Dr. Lo Ka Shui	Personal	2,000,000	–	0.18%

Notes:

1. As at 30th June 2005, the total number of issued shares of the Company is 1,122,438,540.
2. Dr. Stanley Ho is taken to be interested in 7,298,456 shares of the Company as a result of him being beneficially interested in the entire issued share capital of each of Sharikat Investments Ltd., Dareset Ltd. and Lanceford Company Ltd. which in turn hold an aggregate of approximately 0.65% of the issued share capital of the Company. Apart from that, Dr. Stanley Ho personally holds 22,749,278 shares of the Company.
3. Mr. Lawrence Ho is taken to be interested in 115,509,024 shares of the Company as a result of him being beneficially interested in the entire issued share capital of Lasting Legend Ltd. which in turn holds approximately 10.29% of the issued share capital of the Company. He is also taken to be interested in 288,532,606 shares of the Company as a result of him being interested in 77% of issued share capital of Better Joy Overseas Ltd. ("Better Joy") which in turn holds approximately 25.71% of the issued share capital of the Company.

Dr. Stanley Ho and Mr. Lawrence Ho are beneficially interested in 23% and 77% of issued share capital of Better Joy respectively. If their indirect shareholding interests in the Company's shares through Better Joy are taken into account, Dr. Stanley Ho and Mr. Lawrence Ho are effectively interested in 8.59% and 30.57% of the Company's shares.

4. Pursuant to an agreement dated 11th May 2005 entered into between Great Respect Limited, Melco Entertainment Limited and the Company, Great Respect Limited has agreed to subscribe for convertible loan notes of the Company in the total principal amount of HK\$1,175,000,000 on the terms set out in the agreement. Upon exercise in full of such convertible loan notes, a total of 117,912,694 shares of the Company will be issued by the Company. Great Respect Limited is a company controlled by a discretionary family trust of Dr. Stanley Ho, the beneficiaries of which are members of Dr. Stanley Ho's family including Dr. Stanley Ho, Mr. Lawrence Ho and Madam Lucina Laam King Ying. SG Trust (Asia) Ltd. is the trustee of the aforesaid discretionary family trust.
5. Mr. Ho Cheuk Yuet resigned as non-executive director on 5th September 2005.

(ii) *Interests in equity derivatives of the Company*

Name of director	Date of grant	Expiry date	Exercise price (HK\$)	Number of underlying shares comprised in the options outstanding
Mr. Lawrence Ho	19th February 2004	7th March 2012	1.2025	1,800,000
Mr. Frank Tsui	8th March 2002	7th March 2012	0.50	32,612
	19th February 2004	7th March 2012	1.2025	1,800,000

(iii) *Interests in shares of Value Convergence*

Name of director	Nature of interest	Number of issued shares of Value Convergence interested	Approximate percentage of the total number of issued shares of Value Convergence
Dr. Stanley Ho	Corporate	7,384,651 (Note 1)	2.96%
Mr. Lawrence Ho	Corporate	4,232,627 (Note 2)	1.70%

Notes:

1. Dr. Stanley Ho is taken to be interested in 7,384,651 shares of Value Convergence as a result of him being beneficially interested in 65% of the issued share capital of Bailey Development Limited which in turn holds approximately 2.96% of the issued share capital of Value Convergence.
2. Mr. Lawrence Ho is taken to be interested in 4,232,627 shares of Value Convergence as a result of him being beneficially interested in the entire issued share capital of Golden Mate Co., Ltd. which in turn holds approximately 1.70% of the issued share capital of Value Convergence.

(iv) *Interests in equity derivatives of Value Convergence*

Name of director	Nature of interest	Number of underlying shares of Value Convergence interested	Approximate percentage of the total number of issued shares of Value Convergence
Dr. Stanley Ho	Personal	735,000 (Note 1)	0.29%
Mr. Lawrence Ho	Personal	1,226,057 (Note 2)	0.49%

Notes:

1. The personal interest of Dr. Stanley Ho represents his derivative interest in Value Convergence comprising the physically settled options which were granted on 6th April 2001 and may be exercised during the period from 6th April 2001 to 8th October 2005 at an exercise price of HK\$3.60 per Value Convergence's share.
2. The personal interest of Mr. Lawrence Ho represents his derivative interest in Value Convergence comprising the physically settled options as follows:
 - (i) 735,000 physically settled options which were granted on 6th April 2001 and may be exercised during the period from 6th April 2001 to 8th October 2005 at an exercise price of HK\$3.60 per Value Convergence's share; and
 - (ii) 491,057 physically settled options which were granted on 9th July 2002 and may be exercised during the period from 9th July 2002 to 8th July 2012 at an exercise price of HK\$1.00 per Value Convergence's share.

Save as disclosed above, as at 30th June 2005, none of the directors or chief executives of the Company or their respective associates had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they have taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register maintained by the Company referred to therein, or which are required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Main Board Listing Rules to be notified to the Company and the Stock Exchange.

Shareholders with Notifiable Interests

As at 30th June 2005, the interests and short positions of substantial shareholders of the Company and other persons in the shares, underlying shares and debentures of the Company which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO; or (b) were required, pursuant to section 336 of the SFO, to be entered in the register referred to therein; or (c) were directly or indirectly, interested in ten per cent. or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company were as follows:

Name	Nature of interest	Number of issued Shares interested	Number of underlying Shares interested	Approximate percentage of the total number of issued Shares (Note 1)
Better Joy Overseas Ltd.	Corporate	288,532,606 (Note 2)	–	25.71%
Lasting Legend Ltd.	Corporate	115,509,024 (Note 2)	–	10.29%
Great Respect Limited	Corporate	–	117,912,694 (Note 3)	10.51%
Dr. Stanley Ho	Corporate	7,298,456 (Note 4)	117,912,694 (Note 3)	11.16%
	Personal	22,749,278	–	2.03%
Mr. Lawrence Ho	Corporate	404,041,630 (Note 5)	117,912,694 (Note 3)	46.50%
	Personal	7,232,612	–	0.64%
Ms. Sharen Lo	Family	411,274,242 (Note 6)	117,912,694 (Note 3)	47.15%
SG Trust (Asia) Ltd	Corporate	–	117,912,694 (Note 3)	10.51%
Sociedade de Turismo e Diversoes de Macau, S.A.	Corporate	–	85,880,758 (Note 7)	7.65%
Shun Tak Shipping Company Limited	Corporate	78,166,294	–	6.96%
JP Morgan Chase & Co.	Corporate	88,549,000	–	7.89%

Notes:

1. As at 30th June 2005, the total number of issued shares of the Company is 1,122,438,540.
2. The shares held by Better Joy and Lasting Legend Ltd. also represent the corporate interest of Mr. Lawrence Ho in the Company.
3. Pursuant to an agreement dated 11th May 2005 entered into between Great Respect Limited, Melco Entertainment Limited and the Company, Great Respect Limited has agreed to subscribe for convertible loan notes of the Company in the total principal amount of HK\$1,175,000,000 on the terms set out in the agreement. Upon exercise in full of such convertible loan notes, a total of 117,912,694 shares of the Company will be issued by the Company. Great Respect Limited is a company controlled by a discretionary family trust of Dr. Stanley Ho, the beneficiaries of which are members of Dr. Stanley Ho's family including Dr. Stanley Ho, Mr. Lawrence Ho and Madam Lucina Laam King Ying. SG Trust (Asia) Ltd is the trustee of the aforesaid discretionary family trust.
4. Dr. Stanley Ho is taken to be interested in 7,298,456 shares of the Company as a result of him being beneficially interested in the entire issued share capital of each of Sharikat Investments Ltd., Dareset Ltd. and Lanceford Company Ltd. which in turn hold an aggregate of approximately 0.65% of the issued share capital of the Company.
5. Mr. Lawrence Ho is taken to be interested in 115,509,024 shares of the Company as a result of him being beneficially interested in the entire issued share capital of Lasting Legend Ltd. which in turn holds approximately 10.29% of the issued share capital of the Company. Mr. Lawrence Ho is also taken to be interested in 288,532,606 shares of the Company as a result of him being beneficially interested in 77% of the issued share capital of Better Joy which in turn holds approximately 25.71% of the issued share capital of the Company.

Dr. Stanley Ho and Mr. Lawrence Ho are beneficially interested in 23% and 77% of the issued share capital of Better Joy respectively. If their indirect shareholding interests in the Shares through Better Joy are taken into account, Dr. Stanley Ho and Mr. Lawrence Ho are effectively interested in 8.59% and 30.57% of the Company's shares.
6. Ms Sharen Lo is the spouse of Mr. Lawrence Ho and is deemed to be interested in shares of the Company in which Mr. Lawrence Ho is interested in under the SFO.

7. Two convertible notes respectively for the principal amounts of HK\$100 million and HK\$56 million carrying the respectively rights to subscribe for shares at an initial conversion price of HK\$4.00 and HK\$8.2 respectively were issued by the Company to Sociedade de Turismo e Diversoes de Macau, S.A. on 9th November 2004 and 8th February 2005 respectively pursuant to two agreements disclosed in the announcements and the circulars of the Company respectively dated 13th September 2004, 11th October 2004, 23rd November 2004 and 5th January 2005. As at 30th June 2005, the total outstanding principal amount of the said convertible notes is HK\$156 million. Due to the share subdivision on 19th May 2005, the said conversion prices of HK\$4.00 and HK\$8.2 have been adjusted to HK\$2.00 and HK\$4.1 respectively. If Sociedade de Turismo e Diversoes de Macau, S.A. exercises the conversion rights attached to the said convertible notes in full, a total of 63,658,536 shares of the Company will be issued to Sociedade de Turismo e Diversoes de Macau, S.A. In addition, 22,222,222 shares of the Company (adjusted as a result of share subdivision on 19th May 2005) will be issued to Sociedade de Turismo e Diversoes de Macau, S.A. sometime in the future (upon grant of the land by the Macau Government for the development project in Taipa, Macau) as part of the consideration for the acquisition of 30% interests in Great Wonders, Investments, Limited.

Save as disclosed herein, so far as the Directors were aware, as at 30th June 2005, no other persons had interests or short positions in the shares, underlying shares and debentures of the Company which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO, nor were there any other persons required, pursuant to section 336 of the SFO, to be entered in the register referred to therein, or directly or indirectly interested in ten per cent. or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company.