

**NEW WORLD DEVELOPMENT COMPANY LTD :
'SUBSIDIARY' BECOMES ANOTHER OF
HENRY CHENG KAR SHUN'S MEMESES**

[New World Development Company Ltd](#) (Code: 17, Main Board, The Stock Exchange of Hongkong Ltd) is known to be a very large company.

But it is not known to be a very well-managed company, of that, there can be little argument.

That is the reason that quite a number of other, public and private companies, having started much later in their corporate lives in the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) than the New World Group of Companies, has overtaken the empire of Mr Cheng Yu Tung, the paterfamilias of the New World Group.

The New World Group has fallen from grace in the eyes of many investors, in part if not in whole, due to the antics and mismanagement of Mr Cheng Yu Tung's Number One Son: Mr Henry Cheng Kar Shun.

This is, of course, not the opinion of all of Mr Henry Cheng Kar Shun's sycophants, but it is the opinion of right-minded, hard-nosed financial analysts, of which this medium is one.

An example of the above is the fact that Millennium Engineering Ltd, a 49-percent-owned associated company of New World Development, which is given the nomenclature of a subsidiary in the annual reports of New World Development Company Ltd, is regularly sued in various HKSAR courts, for one thing or another, but mostly for money.

Meanwhile, New World Development continues to make profits, albeit smaller profits than in the past, but still sufficient to pay the seemingly smallish claims, made against Millennium Engineering Ltd.

The latest claim comes from Wah Tung Machinery Company Ltd, which planted its claim in the District Court of the HKSAR in the first week of this month, alleging that Millennium Engineering owes it the paltry sum of \$HK195,567.83.

New World Development's Turnover is in the billions of dollars, annually, so it is difficult to believe that Millennium Engineering cannot afford to pay a bill of just \$HK195,567.83.

According to the Statement of Claim, attached to District Court Writ of Summons Number 575, Wah Tung Machinery is an HKSAR company, specialising in contracting in the field of fabrication and installation of glass balustrades, glass walls, glass claddings, curtain walling systems, skylights and canopies, etc, etc, etc.

On May 11, 2003, it is alleged that Wah Tung Machinery entered into an agreement with Millennium Engineering, evidenced by a purported contract, Number 8-1752-W/SC-04.

This contract specified that Wah Tung Machinery *'agreed to undertake the installation of various light feature, aluminium roof feature, aluminium louvre wall works and various glass balustrade/louvre/feature works ...'*

(Paragraph 3 of the Statement of Claim)

The above works were to be carried out and completed in respect of the development of Yan Fook Church , Cheung Sha Wan, Kowloon , the HKSAR.

The agreed lump sum for the works, to be carried out by Wah Tung Machinery, was \$HK1,071,700.

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