

**NEW WORLD DEPARTMENT STORE CHINA LTD:  
COME ON, HENRY, THIS 'IS' A GIGGLE, ISN'T IT ?**

Here's another giggle for objective and impartial observers of the stock-market scene of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC).

It is called New World Department Store China Ltd () (Code: 825, Main Board, The Stock Exchange of Hongkong Ltd).

This department-store, operating Company, which issued its Global Offering Prospectus on June 28, 2007, is a subsidiary of New World Development Company Ltd () (Code: 17, Main Board, The Stock Exchange of Hongkong Ltd).

Its Board of Directors comprises, inter alia:

1. Dr Henry Cheng Kar Shun (), Chairman and a Non-Executive Director, who is, also, Managing Director of New World Development Company Ltd;
2. Mr Au Tak Cheong (), a Non-Executive Director in charge of overseeing accounting matters at the Company. He is, also, the Deputy Chief Financial Officer of New World Development Company Ltd; and,
3. Mr Adrian Cheng Chi Kong (), an Executive Director, '*responsible for overseeing the corporate affairs of the Group*' of New World Department Store China Ltd. This 27, year-old gentleman is the son of the Chairman and an Executive Director of New World Development Company Ltd.

And the giggle is that, since this Company was founded in 1993:

1. It has relied on very material financial support from New World Development Company Ltd, that financial support, being interest-free; and, that is the reason that there have been minimal financing charges against the Profit and Loss Account, up to December 31, 2005;
2. The Statement, at Page 100 of the Prospectus, claims that '*The Directors are satisfied that our Group is capable of carrying on its business independently from NWD Group (New World Development Company Ltd) after the Global Offering ...*';
3. Following the Global Offering, New World Development Company Ltd will hold about 75 percent of the Issued and Fully Paid-Up Share Capital of New World Department Store China Ltd; and,
4. What in the world will be the contribution to the smooth running of New World Department Store China Ltd of Mr Adrian Cheng Chi Kong?

It is, really, difficult to believe some of the bumf, contained in the Global Offering Prospectus of this Company.

But, this is the HKSAR, Dr Henry Cheng Kar Shun, warts and all.

**The Flotation**

The Global Offering of New World Department Store comprised 406.30 million, 10-cent Shares at a Premium not exceeding \$HK5.70 per Share.

The HKSAR investors were given the opportunity to subscribe to a tranche of 40.63 million Shares, the remainder of the Offered Shares, being reserved for International Institutions and qualified investors.

The Company ... [CLICK TO ORDER FULL ARTICLE](#)

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