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New World China Land Limited

新世界中國地產有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 917)

THE MASTER CONTRACTING SERVICES AGREEMENT, THE CTF SUPPLEMENTAL MASTER SERVICES AGREEMENT AND REVISION OF THE ORIGINAL CTF ANNUAL CAPS

THE MASTER CONTRACTING SERVICES AGREEMENT RELATING TO PROVISION OF THE CONTRACTING SERVICES

On 10 December 2012, the Company and Mr. Doo entered into the Master Contracting Services Agreement relating to the provision of the Contracting Services by relevant members of the Group to the Property Development Companies.

As at the date of this announcement, Mr. Doo is a connected person of the Company. The transactions contemplated under the Master Contracting Services Agreement therefore constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As all the relevant percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the transactions contemplated under the Master Contracting Services Agreement are more than 0.1% but less than 5% for the Company and each of the Annual Caps exceeds HK\$1,000,000, the Master Contracting Services Agreement is subject to the reporting and announcement requirements but is exempt from the independent shareholders' approval requirement under the Listing Rules.

THE CTF SUPPLEMENTAL MASTER SERVICES AGREEMENT AND REVISION OF THE ORIGINAL CTF ANNUAL CAPS

Reference is made to the CTF Master Services Agreement entered into between the Company and CTF, details of which were disclosed in the announcements of the Company dated 23 November 2010 and 14 March 2012, respectively.

The Group intends to expand the scope of services provided under the CTF Master Services Agreement and provide the Contracting Services to the CTF Group by

entering into the CTF Supplemental Master Services Agreement. Accordingly, the Directors revised the Original CTF Annual Caps for the year ending 30 June 2013 to cater for the Contracting Services.

As at the date of this announcement, CTF holds approximately 42.21% of the total issued share capital of NWD, while NWD holds approximately 69.83% attributable interests in the issued share capital of the Company and is a substantial shareholder of the Company. CTF is therefore considered as a connected person of the Company under the Listing Rules. The transactions contemplated under the CTF Master Services Agreement therefore constitute continuing connected transactions of the Company under the Listing Rules. The Company is required to re-comply with the provisions of Chapter 14A of the Listing Rules in relation to the revision of the Original CTF Annual Caps.

As all the relevant percentage ratios (as defined under Rule 14.07 of the Listing Rules) for the Revised CTF Annual Caps are more than 0.1% but less than 5% and each of the Revised CTF Annual Caps exceeds HK\$1,000,000, the revision of the Original CTF Annual Caps is subject to the reporting and announcement requirements but is exempt from the independent shareholders' approval requirement under the Listing Rules.

THE MASTER CONTRACTING SERVICES AGREEMENT

On 10 December 2012, the Company and Mr. Doo entered into the Master Contracting Services Agreement relating to the provision of the Contracting Services by relevant members of the Group to the Property Development Companies.

The principal terms of the Master Contracting Services Agreement are set out below.

Date

10 December 2012

Parties

- (1) The Company; and
- (2) Mr. Doo

Provision of the Contracting Services

Relevant members of the Group and any Property Development Company may from time to time enter into Definitive Agreement(s) in relation to the provision of the Contracting Services by relevant members of the Group to the Property Development Companies upon, and subject to, the terms and conditions in compliance with the Master Contracting Services Agreement as may be agreed between relevant members of the Group and any Property Development Company. All existing agreements between relevant members of the Group and any Property Development Company in respect of the provision of the Contracting Services (to the extent which cover those transactions after the Effective Date) will be treated as Definitive Agreements made pursuant to the Master Contracting Services Agreement as from the Effective Date.

With effect from the Effective Date, the transactions contemplated under the Master Contracting Services Agreement shall be conducted:

- (a) in the usual and ordinary course of business of the Company;
- (b) on normal commercial terms; and
- (c) in compliance with all applicable provisions of the Listing Rules (including the Annual Caps), the applicable laws, the Master Contracting Services Agreement and the relevant Definitive Agreement.

Duration

The Master Contracting Services Agreement shall commence on the Effective Date, and shall continue up to and including 30 June 2015, unless terminated earlier in accordance with the Master Contracting Services Agreement. Subject to compliance with the then relevant requirements of the rules of any stock exchange to which the Company is subject to, including, but not limited to, the Listing Rules or, alternatively, any waivers obtained from strict compliance with such requirements, upon expiration of the initial term or subsequent renewal term, the Master Contracting Services Agreement will be automatically renewed for a successive period of three years thereafter (or such other period permitted under the Listing Rules), unless terminated earlier in accordance with the Master Contracting Services Agreement.

Historical figures and the Annual Caps

Before the entering into of the Master Contracting Services Agreement, the Group has not provided any Contracting Services to the Property Development Companies.

The Annual Caps for each of the three financial years ending 30 June 2015 are HK\$284 million, HK\$355 million and HK\$426 million, respectively, and have been determined after taking into account of the projected quantity and value of the Contracting Services which may be rendered by the Group to the Property Development Companies with reference to the scale of the property development projects of the Property Development Companies for which the Contracting Services from the Group may be required and the prevailing market prices of the Contracting Services.

Reasons for and benefits of entering into the Master Contracting Services Agreement

The Group intends to provide the Contracting Services to the Property Development Companies in the PRC for development of property projects undertaken by the Property Development Companies. The transactions are expected to be of a recurrent nature and will occur on a regular and continuing basis in the ordinary and usual course of business of the Group and the Property Development Companies. The Directors believe that it is in the interests of the Company to enter into the Master Contracting Services Agreement so that the Group may regulate the contracting services agreements with the Property Development Companies under a common framework agreement.

The Directors, including the independent non-executive Directors, consider that the terms of the Master Contracting Services Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Group and the Shareholders as a whole and the Annual Caps are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

THE CTF SUPPLEMENTAL MASTER SERVICES AGREEMENT AND REVISION OF THE ORIGINAL CTF ANNUAL CAPS

Reference is made to the CTF Master Services Agreement entered into between the Company and CTF, details of which were disclosed in the announcements of the Company dated 23 November 2010 and 14 March 2012, respectively.

The Group intends to expand the scope of services provided under the CTF Master Services Agreement and provide the Contracting Services to the CTF Group. The CTF Supplemental Master Services Agreement was entered into between the Company and CTF on 10 December 2012, pursuant to which the Contracting Services were added to become part of the Services. Save as disclosed above, all of the existing terms and conditions under the CTF Master Services Agreement remain unchanged.

The Directors expect that the service fees payable by the CTF Group to the Group will increase and the Original CTF Annual Caps for the year ending 30 June 2013 will be insufficient.

The Directors therefore revised the Original CTF Annual Caps for the year ending 30 June 2013 by including the estimated annual cap amount of the Contracting Services which may be rendered by the Group to the CTF Group as follows:

	Original CTF Annual Caps for the year ending 30 June 2013	Revised CTF Annual Caps for the year ending 30 June 2013
	HK\$ (million)	HK\$ (million)
Hotel Management and Consultancy Services	94.7	94.7
Project Management and Consultancy Services	18.5	18.5
Contracting Services	-	248.7
Total	113.2	361.9

The Original CTF Annual Caps for the Hotel Management and Consultancy Services as well as the Project Management and Consultancy Services for the year ending 30 June 2013 remain unchanged. The estimated annual cap amount for the provision of the Contracting Services for the year ending 30 June 2013 has been determined after taking into account of the projected quantity and value of the Contracting Services which may be rendered by the Group to the CTF Group with reference to the scale of the property development projects of the CTF Group for which the Contracting Services from the Group may be required and the prevailing market prices of the Contracting Services.

The historical transaction amounts in respect of the Hotel Management and Consultancy Services under the CTF Master Services Agreement for the two financial years ended 30 June 2012 were approximately HK\$17,695,000 and HK\$54,900,000. The historical transaction amounts in respect of the Project Management and Consultancy Services under the CTF Master Services Agreement for the two financial years ended 30 June 2012 were nil and approximately HK\$3,700,000. The Directors confirm that the transaction amounts under the CTF Master Services Agreement for the period from 1 July 2012 to the date of this announcement comply with the relevant Original CTF Annual Caps.

The Directors, including the independent non-executive Directors, consider that the terms of the CTF Supplemental Master Services Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Group and the Shareholders as a whole. They also consider that the revision of the Original CTF Annual Caps is fair and reasonable and in the interests of the Group and the Shareholders as a whole.

GENERAL

The Group is principally engaged in property development, property investment as well as rental and hotel operation in the PRC.

To the best knowledge of the Directors, the Property Development Companies are principally engaged in property development and investment in Shanghai, the PRC.

To the best knowledge of the Directors, CTF is principally engaged in investment holding.

LISTING RULES IMPLICATIONS

The Master Contracting Services Agreement

As at the date of this announcement, Mr. Doo is the vice-chairman and a non-executive Director and a director of certain subsidiaries of the Company. He is also the brother-in-law of Dr. Cheng Kar-shun, Henry and Mr. Cheng Kar-shing, Peter as well as the uncle of Mr. Cheng Chi-kong, Adrian, Ms. Cheng Chi-man, Sonia and Mr. Cheng Chi-him, Conrad. He is therefore a connected person of the Company. The transactions contemplated under the Master Contracting Services Agreement therefore constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As all the relevant percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the transactions contemplated under the Master Contracting Services Agreement are more than 0.1% but less than 5% for the Company and each of the Annual Caps exceeds HK\$1,000,000, the Master Contracting Services Agreement is subject to the reporting and announcement requirements but is exempt from the independent shareholders' approval requirement under the Listing Rules.

The CTF Supplemental Master Services Agreement and revision of the Original CTF Annual Caps

As at the date of this announcement, CTF holds approximately 42.21% of the total issued share capital of NWD, while NWD holds approximately 69.83% attributable interests in the issued share capital of the Company and is a substantial shareholder of the Company. CTF is therefore considered as a connected person of the Company under the Listing Rules. The transactions contemplated under the CTF Master Services Agreement therefore constitute continuing connected transactions of the Company under the Listing Rules. The Company is required to re-comply with the provisions of Chapter 14A of the Listing Rules in relation to the revision of the Original CTF Annual Caps.

As all the relevant percentage ratios (as defined under Rule 14.07 of the Listing Rules) for the Revised CTF Annual Caps are more than 0.1% but less than 5% and each of the Revised CTF Annual Caps exceeds HK\$1,000,000, the revision of the Original CTF Annual Caps is subject to the reporting and announcement requirements but is exempt from the independent shareholders' approval requirement under the Listing Rules.

APPROVAL BY THE BOARD OF DIRECTORS

The Master Contracting Services Agreement

Save for Mr. Doo, none of the Directors has a material interest in the transactions contemplated under the Master Contracting Services Agreement. Mr. Doo was absent from the board meeting of the Company approving the Master Contracting Services Agreement and the relevant transactions. However, Dr. Cheng Kar-shun, Henry and Mr. Cheng Kar-shing, Peter, present at the board meeting of the Company approving the Master Contracting Services Agreement and the relevant transactions, have voluntarily abstained from voting on the relevant board resolution.

The CTF Supplemental Master Services Agreement and revision of the Original CTF Annual Caps

None of the Directors has a material interest in the revision of the Original CTF Annual Caps or the transactions contemplated under the CTF Supplemental Master Services Agreement, however, Dr. Cheng Kar-shun, Henry and Mr. Cheng Kar-shing, Peter present at the board meeting of the Company approving the revision of the Original CTF Annual Caps and the CTF Supplemental Master Services Agreement, have voluntarily abstained from voting on the relevant board resolution.

DEFINITIONS

Unless the context otherwise requires, capitalized terms used in this announcement shall have the following meanings:

“Annual Caps”	the annual cap amounts payable by the Property Development Companies to the Group in respect of the transactions contemplated under the Master Contracting Services Agreement for each of the three financial years ending 30 June 2015
“Company”	New World China Land Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Main Board of the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“Contracting Services”	the provision of construction, engineering and related services, including but not limited to, building and general construction, civil engineering, building exterior and interior design, building repair, renovation, maintenance, consultancy and other services, demolition, piling and foundation, building and property fitting out and decoration work, construction and project management, supply of construction and building equipment and materials, electrical and mechanical engineering works, supply and installation of air-conditioning, heating and ventilation systems, fire services systems, plumbing and drainage systems, lift repair and maintenance services, electrical systems, system design and consultancy, security and guarding, estate management and consultancy services, computer aided drafting and advisory services, landscaping and cleaning services
“CTF”	Chow Tai Fook Enterprises Limited, a company incorporated in Hong Kong with limited liability
“CTF Group”	has the meaning ascribed to it in the announcement of the Company dated 14 March 2012
“CTF Master Services Agreement”	the master services agreement entered into between the Company and CTF on 23 November 2010 in relation to the provision of Services by the Group to the CTF Group, as supplemented by the supplemental master services agreement dated 14 March 2012 and the CTF

Supplemental Master Services Agreement

“CTF Supplemental Master Services Agreement”	the second supplemental master services agreement to the CTF Master Services Agreement entered into between the Company and CTF on 10 December 2012
“Definitive Agreement(s)”	definitive agreement(s) which may be entered into between any member(s) of the Group and any Property Development Company from time to time in relation to any of the transactions contemplated under the Master Contracting Services Agreement at any time during the term of the Master Contracting Services Agreement
“Director(s)”	director(s) of the Company
“Effective Date”	10 December 2012, being the effective date of the Master Contracting Services Agreement
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Hotel Management and Consultancy Services”	have the meaning ascribed to it in the announcement of the Company dated 23 November 2010
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Master Contracting Services Agreement”	the master contracting services agreement entered into between the Company and Mr. Doo on 10 December 2012 in relation to the provision of the Contracting Services by the Group to the Property Development Companies
“Mr. Doo”	Mr. Doo Wai-hoi, William, the vice-chairman and a non-executive Director and a director of certain subsidiaries of the Company. Mr. Doo is the brother-in-law of Dr. Cheng Kar-shun, Henry and Mr. Cheng Kar-shing, Peter and the uncle of Mr. Cheng Chi-kong, Adrian, Ms. Cheng Chi-man, Sonia and Mr. Cheng Chi-him, Conrad
“NWD”	New World Development Company Limited, a company incorporated in Hong Kong with limited liability and whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 17)

"Original CTF Annual Caps"	the annual cap amounts in respect of the provision of the Services as disclosed in the announcement of the Company dated 14 March 2012
"PRC"	The People's Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Property Development Company(ies)"	any company which is engaged in property development business and in the equity capital of which Mr. Doo is or will be directly or indirectly interested so as to exercise or control the exercise of 30% (or such other amount as may from time to time be specified in the Code on Takeovers and Mergers as being the level for triggering a mandatory general offer) or more of the voting power at general meetings, or to control the composition of a majority of the board of directors and any other company which is its subsidiary
"Project Management and Consultancy Services"	have the meaning ascribed to it in the announcement of the Company dated 23 November 2010
"Revised CTF Annual Caps"	the revised annual cap amounts in respect of the Services as set out on page 5 of this announcement for the year ending 30 June 2013
"Services"	the Hotel Management and Consultancy Services, the Project Management and Consultancy Services, and such other types of services as CTF and the Company may agree upon from time to time in writing; and upon signing of the CTF Supplemental Master Services Agreement, also include the Contracting Services
"Shareholders"	shareholders of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"substantial shareholder"	has the meaning ascribed to it under the Listing Rules
"%"	per cent.

By order of the board
Ngan Man-ying, Lynda
Company Secretary

Hong Kong, 10 December 2012

At the date of this announcement, the board of Directors comprises: (a) seven executive Directors, namely Dr. Cheng Kar-shun, Henry, Mr. Cheng Kar-shing, Peter, Mr. Cheng Chi-kong, Adrian, Ms. Cheng Chi-man, Sonia, Mr. Cheng Chi-him, Conrad, Mr. Fong Shing-kwong, Michael and Ms. Ngan Man-ying, Lynda; (b) two non-executive Directors, namely Mr. Doo Wai-hoi, William and Mr. Chow Yu-chun, Alexander; and (c) three independent non-executive Directors, namely Dr. Cheng Wai-chee, Christopher, Mr. Tien Pei-chun, James and Mr. Lee Luen-wai, John.