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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)

**CONTINUING CONNECTED TRANSACTION**  
**TENANCY AGREEMENT**

On 20th January 2009, NWHM, an indirect wholly-owned subsidiary of the Company entered into a tenancy agreement with NWT for lease of the Property for a term of two (2) years five (5) months and five (5) days commencing from 1st January 2009 to 5th June 2011.

As NWT is a wholly-owned subsidiary of NWD, the controlling shareholder of the Company, the entering into of the Tenancy Agreement constitutes a continuing connected transaction for the Company under the Listing Rules.

Given that the aggregate transaction amounts under the Tenancy Agreement and the Existing Tenancy Agreements with NWT on annual basis fall within the threshold prescribed in Rule 14A.34 of the Listing Rules, the entering into of the Tenancy Agreement is exempt from independent shareholders' approval requirement but is subject to the annual review and reporting and announcement requirements under Chapter 14A of the Listing Rules.

The Board announces that the following tenancy agreement has been entered into:-

**TENANCY AGREEMENT DATED 20TH JANUARY 2009**

Landlord : NWT

Tenant : NWHM

Property : Portion of 36/F., New World Tower 1, 18 Queen's Road

Central, Hong Kong with gross floor area of 5,884 square feet

Term : Two (2) years five (5) months and five (5) days commencing from 1st January 2009 to 5th June 2011 (both days inclusive)

Rental : HK\$344,214 per month, exclusive of government rates, payable in cash monthly in advance

Management fees and air-conditioning charges : HK\$26,478 per month (subject to adjustment by NWT)

### **THE CAP AMOUNT FOR THE TENANCY AGREEMENT**

Based on the monthly rental, management fees and air-conditioning charges payable under the Tenancy Agreement, the maximum annual aggregate amounts payable by NWHM under the Tenancy Agreement will not exceed HK\$2,500,000 for the financial year ending 30th June 2009 and will not exceed HK\$5,000,000 for each of the financial years ending 30th June 2010 and 30th June 2011.

### **The cap amounts for the Existing Tenancy Agreements**

In addition to the Tenancy Agreement, the Company had entered into the Existing Tenancy Agreements with NWT for leases of the following offices premises:-

- (i) Rooms 901-910, 9/F., New World Tower 1, 18 Queen's Road Central, Hong Kong with gross floor area of 9,375 square feet for two years commencing from 1st July 2007;
- (ii) portion of 33/F., New World Tower 1, 18 Queen's Road Central, Hong Kong with gross floor area of 1,296 square feet for two years commencing from 1st July 2007; and
- (iii) portion of 34/F., New World Tower 1, 18 Queen's Road Central, Hong Kong with gross floor area of 4,937 square feet for three years commencing from 1st October 2007.

The Company has paid aggregate amounts of HK\$5,006,000, HK\$346,000 and HK\$2,155,000, respectively for the above leases for the financial year ended 30th June 2008. The figures fall within the expected maximum annual amounts of HK\$6,000,000 payable in respect of the leases for 9/F. and 33/F.

and that of HK\$3,200,000 in respect of the lease for 34/F. as set out in the announcements of the Company dated 29th June 2007 and 16th October 2007. The lease in respect of the premises at 33/F. was terminated on 31st December 2007.

## **REASONS FOR THE TRANSACTION**

The purpose of entering into the Tenancy Agreement is to obtain the lease of the Property for office use by NWHM, an indirect wholly-owned subsidiary of the Company.

The terms of the Tenancy Agreement are negotiated on an arm's length basis between NWT and the Company and are on normal commercial terms. The rental of the Property has been arrived at by reference to the prevailing market rate of the similar leases in the same building. The Board (including the independent non-executive directors) considers that the Tenancy Agreement is entered into in the ordinary and usual course of business of the Company, on normal commercial term which are fair and reasonable and in the interest of the Company and its shareholders as a whole.

## **INFORMATION RELATING TO THE COMPANY, NWHM AND NWT**

The Company is principally engaged in the property development, property related investment as well as rental and hotel operation in the People's Republic of China.

NWHM is an indirect wholly-owned subsidiary of the Company and is principally engaged in the provision of hotel management services.

NWT is a private company wholly-owned by NWD and is principally engaged in property investment in Hong Kong.

## **CONNECTION BETWEEN THE PARTIES**

NWD is the controlling shareholder of the Company and is listed on The Stock Exchange of Hong Kong Limited under stock code 0017. NWD, together with its subsidiaries, is holding approximately 70% of the issued shares of the Company. By virtue of the fact that NWT is a wholly-owned subsidiary of NWD, the entering into of the Tenancy Agreement constitutes a continuing connected transaction for the Company under the Listing Rules. Given that the aggregate transaction amounts under the Tenancy Agreement and the Existing Tenancy Agreement on annual basis fall within the threshold prescribed in Rule 14A.34 of the Listing Rules, the entering into of the Tenancy Agreement is exempt from independent shareholders' approval requirement but is subject to the annual review and reporting and announcement requirements under Chapter 14A of the Listing Rules.

## TERMS USED IN THIS ANNOUNCEMENT

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

“Board”	the board of directors of the Company
“Company”	New World China Land Limited, a company incorporated in the Cayman Islands, the shares of which are listed on The Stock Exchange of Hong Kong Limited
“Existing Tenancy Agreements”	the tenancy agreements dated 29th June 2007 and 16th October 2007 entered into between the Company as tenant and NWT as landlord for leases of the office premises at 9/F., 33/F and 34/F., New World Tower 1, 18 Queen’s Road Central, Hong Kong
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“NWD”	New World Development Company Limited, a company incorporated in Hong Kong, the shares of which are listed on The Stock Exchange of Hong Kong Limited
“NWHM”	New World Hotel Management Limited, a company incorporated in Hong Kong, an indirect wholly-owned subsidiary of the Company
“NWT”	New World Tower Company Limited, a company incorporated in Hong Kong, a wholly-owned subsidiary of NWD
“Property”	Portion of 36/F., New World Tower 1, 18 Queen’s Road Central, Hong Kong with gross floor area of 5,884 square feet
“Tenancy Agreement”	the agreement dated 20th January 2009 entered into between NWHM as tenant and NWT as landlord for lease of the Property

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

Hong Kong, 20th January 2009

*As at the date of this announcement, the Board comprises (a) nine executive directors, namely Dr. Cheng Kar-shun, Henry, Mr. Doo Wai-hoi, William, Mr. Cheng Kar-shing, Peter, Mr. Cheng Chi-kong, Adrian, Mr. Leung Chi-kin, Stewart, Mr. Chow Kwai-cheung, Mr. Chow Yu-chun, Alexander, Mr. Fong Shing-kwong, Michael and Ms. Ngan Man-ying, Lynda; (b) a non-executive director, namely Mr. Fu Sze-shing; and (c) three independent non-executive directors, namely Mr. Cheng Wai-chee, Christopher, Mr. Tien Pei-chun, James and Mr. Lee Luen-wai, John.*

The announcement is published on the websites of the Company ([www.nwcl.com.hk](http://www.nwcl.com.hk)) and The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)).