



新創建集團有限公司*
NWS Holdings Limited

(incorporated in Bermuda with limited liability)

**INCREASE IN PRICE AND TRADING VOLUME OF SHARES
AND
CLARIFICATION OF PRESS ARTICLES**

The Directors note the increase in the price and the trading volume of the shares of the Company yesterday and wish to state that save as disclosed in this announcement, they are not aware of any reasons for such increase.

The Directors also wish to refer to certain press articles appeared on various newspapers yesterday and today.

The Directors confirm that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under Paragraph 3 of the Listing Agreement, neither are the Directors aware of any matter discloseable under the general obligation imposed by Paragraph 2 of the Listing Agreement which is or may be a price-sensitive nature.

Trading of the shares of the Company has been suspended since 9:30 a.m. on 6 February 2004 at the request of the Company pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading of the shares of the Company from 9:30 a.m. on 9 February 2004.

This announcement is made at the request of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

Increase in price and trading volume

The directors (the "Directors") of NWS Holdings Limited (the "Company") note the increase in the price and the trading volume of the shares of the Company yesterday and wish to state that save as disclosed in this announcement, they are not aware of any reasons for such increase.

Transactions referred to in the press articles on 5 February 2004 and 6 February 2004

The Directors wish to refer to various press articles making references to certain operations of the Company and its subsidiaries (collectively, the "Group") appeared on the newspapers of 5 February 2004 and 6 February 2004. In particular, the Directors wish to confirm that:

- (a) the Directors are aware of the recent sale by Wai Kee Holdings Limited ("Wai Kee") of its 50 per cent. interest in First Star Development Limited ("First Star"), being the owner of the property situated at Hung Hom Bay Reclamation Area, Kowloon, Hong Kong, which originally was to be a private sector participation scheme project. The Directors confirm that save for the shareholding relationship between the Group and Wai Kee, the sale by Wai Kee of its interest in First Star did not involve the Group and has not changed the Group's interest in First Star (i.e. as being a 50 per cent. shareholder of First Star);
- (b) Hip Hing Construction Company Limited ("Hip Hing"), an indirect wholly-owned subsidiary of the Company, agreed in July 2003 to invest an amount of RMB56 million to subscribe for 10 per cent. shareholding interest in 中建三局建築工程股份有限公司 (unofficial translation being China Construction Third Engineering Bureau Co., Ltd.) ("CCTE"). The incorporation of CCTE was approved by the relevant authorities in the People's Republic of China (the "PRC") in December 2003. The Directors confirm that (1) such investment was not subject to any disclosure requirement under Chapter 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"); (2) the 10 per cent. shareholding of the Group in CCTE is the only interest of the Group in CCTE; and (3) the remaining 90 per cent. shareholding interest in CCTE are held by independent third parties not being connected persons (within the meaning of the Listing Rules) of the Company; and
- (c) a subsidiary of the Company is in the course of acquiring a 25 per cent. interest in a company established in the PRC engaging in the construction business from one of the shareholders of CCTE, being an independent third party, at a consideration of RMB97.5 million (the "Possible Acquisition"). An agreement in respect of the Possible Acquisition was entered into by the Group with such independent third party in June 2003. The Directors wish to clarify that the Possible Acquisition is subject to a number of conditions and may or may not materialise. The Directors further confirm that the Possible Acquisition is not subject to any disclosure requirement under Chapter 14 of the Listing Rules.

In the meantime, public investors are urged to exercise caution in dealing in the shares of the Company.

General

The Directors confirm that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under Paragraph 3 of the Listing Agreement made between the Company and the Stock Exchange (the "Listing Agreement"), neither are the Directors aware of any matter discloseable under the general obligation imposed by Paragraph 2 of the Listing Agreement which is or may be a price-sensitive nature.

Trading of the shares of the Company has been suspended since 9:30 a.m. on 6 February 2004 at the request of the Company pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading of the shares of the Company from 9:30 a.m. on 9 February 2004.

This announcement is made by the order of the board of Directors which individually and jointly accept the responsibility for the accuracy of this statement.

By order of the Board
NWS Holdings Limited
Dr. Cheng Kar Shun, Henry
Chairman

Hong Kong, 6 February 2004

* For identification purposes only