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新創建 NWS

新創建集團有限公司*
NWS HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

(stock code: 659)

**ANNOUNCEMENT
FORMATION OF THE JV COMPANY**

This announcement is made by the Company pursuant to the Inside Information Provisions (as defined under the Listing Rules) under Section 307B of the Securities and Futures Ordinance (Cap. 571) and Rule 13.09(2) of the Listing Rules.

The Board wishes to announce that on 25 February 2013, the JV Parties, the Merged Companies and NWSHC entered into the Agreement in relation to, among others, the establishment of the JV Company as a limited liability company in the PRC and the Trend Wood Disposal.

The Agreement shall become effective upon certain conditions precedent being fulfilled. After the Establishment and completion of the Trend Wood Disposal, the Group will have 13.8% interest in the JV Company. The Group will contribute (1) RMB369,864,752.17 (equivalent to HK\$462,330,940.21) in cash; and (2) 50% equity interest in NWCY Terminal by way of the Merger of the NWCY Terminal to become the JV Company upon Establishment.

Assuming the Establishment and the Trend Wood Disposal had been completed on 31 December 2012, the Board estimates that the transactions contemplated under the Agreement would result in a gain of approximately HK\$0.6 billion to the Group.

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THE AGREEMENT

The Parties

Reference is made to the announcement of the Company dated 31 December 2012. The Board wishes to announce that on 25 February 2013, (i) NWXP; (ii) Xiamen International; (iii) XPHG; (iv) Xiamen Port Logistics Co., Ltd. (a non-wholly owned subsidiary of Xiamen International); (v) Xiangyu Logistics; (vi) Xiamen ITG; (vii) Pointer Investment (Hong Kong) Limited (a wholly-owned subsidiary of Xiamen ITG); (viii) Xiamen Port Group Haitian Container Terminals Co., Ltd.; (ix) NWCY Terminal; (x) Xiamen ITG Terminals Co., Ltd.; (xi) XMHCP; and (xii) NWSHC, entered into the Agreement in relation to, among others, the establishment of the JV Company as a limited liability company in the PRC and the Trend Wood Disposal.

Formation of the JV Company

Pursuant to the Agreement and subject to the approval by the relevant governmental authorities, the particulars of the JV Company upon Establishment will be as follows:

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| Name: | Xiamen Container Terminal Group Co., Ltd. (廈門集裝箱碼頭集團有限公司) |
| Registered Capital: | RMB2,436,604,228.47 (equivalent to HK\$3,045,755,285.59) |
| Total investment: | RMB7,309,812,685.41 (equivalent to HK\$9,137,265,856.76) |
| Scope of business: | Providing port facilities for vessels; providing cargo uploading and unloading, transshipment, warehousing and logistics services within the port area; container uploading and unloading, piling, disassembling and maintenance; port services to vessels; supplying electricity to vessels at the port and leasing services |
| Tenure: | 50 years since Establishment |

After the Establishment and completion of the Trend Wood Disposal, the Group will have 13.8% interest in the JV Company. Upon Establishment, the board of directors of the JV Company shall comprise nine members, of which two directors (including a vice chairman) will be appointed by NWXP.

Conditions Precedent and Long-stop Date

The Agreement shall become effective upon the following conditions being fulfilled: (1) the Merger and contributions to the JV Company having been approved by the directors/shareholders of the respective parties to the Agreement, and the shareholders of the relevant listed companies, if necessary, in accordance with applicable laws and the respective articles of association. In particular, the approvals by the shareholders of Xiamen International having been obtained in respect of the transactions contemplated under the Agreement, including but not limited to the formation of the JV Company, the Trend Wood Disposal, transfers of equity interests in the JV Company among certain other JV Parties after Establishment, certain options to acquire interests in the JV Company (including the NWS Option) and the Songyu Acquisition; (2) all the approvals required by PRC authorities related to the Merger and contributions having been obtained; and (3) all the approvals related to the Merger and contributions required by the governmental or regulatory bodies of Hong Kong or any other non-PRC jurisdictions have been obtained, and all procedures required by Hong Kong laws and the regulatory requirements for Hong Kong listed companies due to the Merger and contributions have been complied with.

The conditions precedent cannot be waived by any parties to the Agreement, except the approvals by the shareholders of Xiamen International on the further acquisition of certain equity interests in the JV Company after Establishment pursuant to the Agreement by Xiamen International from XPHG, as to which it has been agreed that if such independent shareholders' approval are not obtained in respect of the further acquisition of certain equity interests in the JV Company after Establishment pursuant to the Agreement by Xiamen International from XPHG, but are obtained in respect of other transactions contemplated under the Agreement, then the Agreement shall still become effective save for those clauses related to the further acquisition of certain equity interests in the JV Company after Establishment by Xiamen International from XPHG.

The Agreement will automatically lapse and be of no further effect if the conditions precedents are not fulfilled within eight months after signing of the Agreement unless otherwise agreed among the parties to the Agreement.

Contributions by the Group and other JV Parties

The Group will contribute (1) RMB369,864,752.17 (equivalent to HK\$462,330,940.21) in cash; and (2) 50% equity interest in NWCY Terminal by way of the Merger of the NWCY Terminal to become the JV Company upon Establishment. NWCX currently holds 50% equity interest in NWCY Terminal which is accounted for as a jointly controlled entity of the Group.

The amount of the cash contribution will be funded in full by the proceeds of the Trend Wood Disposal. The cash contribution shall be made within five business days after the consideration in respect of the Trend Wood Disposal is settled.

NWXY Terminal's current principal operation is the container terminal operation on berth nos. 12-16 of Dongdu Port. NWXY Terminal's principal assets are berth nos. 12-16 of Dongdu Port, the assets and liabilities (as applicable) pertaining to which shall be transferred to the JV Company upon Establishment.

The contributions of the other JV Parties will be made by way of (1) Merger of the Merged Companies currently owned by the respective JV Parties to become the JV Company upon Establishment; and (2) asset contribution of the Injected Assets.

Apart from the aforesaid contributions, there is no requirement in the Agreement for the JV Parties to make any other capital commitment (whether equity, loan or otherwise) or provide any guarantee or indemnity in respect of the formation of the JV Company.

After Establishment, pursuant to the Agreement, the JV Company will also enter into the agreements in relation to the Trend Wood Disposal and the Songyu Acquisition.

NWS Option

The JV Parties have conditionally agreed that the Group is entitled to exercise an option to acquire 6.2% of the equity interest in the JV Company from XPHG within 3 years from the date on which the JV Company obtains its business licence and the exercise price of the NWS Option, subject to the approval by the State-owned Assets Supervision and Administration Commission, shall be determined by the same valuation method and principles of the JV Company for the purpose of the Merger. The NWS Option will lapse if it is not exercised during the above option period.

Trend Wood Disposal

Pursuant to the Agreement, the JV Parties have agreed to procure the JV Company upon Establishment to acquire, and NWSHC has agreed to dispose of 100% shareholding interest in Trend Wood (together with TW Shareholder's Loan) at a total consideration of RMB369,864,752.17 (equivalent to HK\$462,330,940.21) on the fifth business day after all the requisite governmental approvals have been obtained in respect thereof. Completion of the Trend Wood Disposal is a pre-requisite condition for NWXP's cash contribution to the JV Company.

The main asset owned by Trend Wood is the 46% equity interest in Xinhaida, which currently owns and operates berth nos. 18-19 of Haicang Port in Xiamen and owns 16% equity interest in Container Inspection. Xinhaida is a jointly controlled entity of Trend Wood.

Completion of the Trend Wood Disposal is not a condition precedent to the Agreement. It has been agreed that if the Trend Wood Disposal cannot be completed within 60 days after the Establishment, all the JV Parties shall negotiate on other appropriate arrangement. If no unanimous consensus can be reached among the JV Parties within 30 days after the negotiation commences, any one of the non-defaulting JV Parties shall be entitled to inform the other JV Parties to terminate the joint venture contract and the articles of association of the JV Company and to dissolve the JV Company. The defaulting JV Party shall not be entitled to request the termination and dissolution of the JV Company and shall compensate the non-defaulting JV Parties at such amount to be determined among the JV Parties.

FINANCIAL EFFECTS

Assuming the Establishment and the Trend Wood Disposal had been completed on 31 December 2012, the Board estimates that the transactions contemplated under the Agreement would result in a gain of approximately HK\$0.6 billion to the Group. Such gain does not take into the account the change in the carrying value of the Group's interest in NWCY Terminal and Trend Wood as a result of the profit or loss of NWCY Terminal and Trend Wood for the period from 1 January 2013 to the date of Establishment and completion of the Trend Wood Disposal.

REASONS FOR, AND BENEFITS OF, THE FORMATION OF THE JV COMPANY

The Group is principally engaged in (i) the investment in and/or operation of facilities, construction, transport and strategic investments; and (ii) the development, investment, operation and/or management of power plants, water treatment and waste management plants, roads as well as ports and logistics facilities.

Both NWCX and NWCY are investment holding companies which are wholly-owned by the Company.

It is currently expected that the JV Company will take advantage of the collaboration among the JV Parties to manage the current container terminal business in respect of the Merged Companies, the Injected Assets from the JV Parties and Trend Wood in a manner consistent with the pre-establishment operation in respect thereof. The JV Company shall take advantage of economies of scale and synergy effect. The JV Company also has sufficient capacity for long term growth development.

The Board believes that the participation in the Agreement is in line with the Group's development strategy and will enhance the Group's long term expansion plan.

IMPLICATIONS OF THE LISTING RULES

As the applicable percentage ratios as set out in Rule 14.07 of the Listing Rules in respect of the Establishment are less than 5%, the transactions contemplated under the Agreement do not constitute a notifiable transaction for the Company pursuant to Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the following meanings unless the context requires otherwise:

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| “Agreement” | a conditional merger and contribution agreement entered into among the JV Parties, the Merged Companies and NWSHC on 25 February 2013 in relation to, among others, the Establishment and the Trend Wood Disposal |
| “Board” | the board of directors of the Company |
| “Company” | NWS Holdings Limited, a company incorporated in Bermuda with limited liability and whose shares are listed on the Main Board of the Stock Exchange |
| “Container Inspection” | Xiamen Haicang Free Port Zone Container Inspection Co., Ltd.* (廈門海滄保稅港區集裝箱查驗服務有限公司), a company established in the PRC and is owned as to 16% by Xinhaida |
| “Dongdu Port” | Dongdu Port (東渡港區), Xiamen, Fujian Province, PRC |
| “Establishment” | the establishment of the JV Company |
| “Group” | the Company and its subsidiaries |
| “Haicang Port” | Haicang Port (海滄港區), Xiamen, Fujian Province, PRC |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Injected Assets” | the assets and liabilities (as applicable) pertaining to berth nos. 4-5 of Haicang Port and berth nos. 5-11 of Dongdu Port, berth no. 6 of Haicang Port, 51% equity interest in Xiamen Haicang International Container Terminals Limited and 59.65% equity interest in Songyu Terminal, being all the assets that form the subject of the asset contribution by the relevant JV Parties to the JV Company |
| “JV Company” | a joint venture company to be established as a limited liability company in the PRC by the JV Parties pursuant to the Agreement |
| “JV Parties” | collectively Xiamen International, NWXP, XPHG, Xiamen Port Logistics Co., Ltd., Xiangyu Logistics, Xiamen ITG and Pointer Investment (Hong Kong) Limited |
| “Listing Rules” | Rules Governing the Listing of Securities on the Stock Exchange |

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| “Merged Companies” | collectively, Xiamen Port Group Haitian Container Terminals Co., Ltd. (the operator of berth nos. 5-11 of Dongdu Port and berth nos. 4-6 of Haicang Port), NWCY Terminal (its main assets are berth nos. 12-16 of Dongdu Port), Xiamen ITG Terminals Co., Ltd. (its main assets are berth nos. 20-21 of Dongdu Port) and XMHCP (its main assets are its 51% equity interest in Xiamen International Container Terminals Limited, which currently owns and operates berth nos. 2-3 of Haicang Port) |
| “Merger” | the process of the Merged Companies being merged to form the JV Company pursuant to the PRC Companies Law (《中華人民共和國公司法》) and the Provisions Regarding Mergers and Demerger of Foreign Invested Enterprises (《關於外商投資企業合併與分立的規定》) as promulgated by the former State Administration for Foreign Trade and Economic Cooperation and the State Administration for Industry (對外貿易經濟合作部及國家工商行政管理總局) in November 2001 |
| “NWSHC” | NWS Ports Management (Haicang) Limited, a company incorporated in the British Virgin Islands with limited liability, which is a wholly-owned subsidiary of the Company |
| “NWS Option” | the option of NWXP to acquire 6.2% equity interest in the JV Company from XPHG within 3 years from the date on which the JV Company obtains its business licence |
| “NWXP” | New World (Xiamen) Port Investments Limited, a company incorporated in Hong Kong with limited liability, which is a wholly-owned subsidiary of the Company |
| “NWCY Terminal” | Xiamen New World Xiangyu Terminals Co., Ltd. (廈門象嶼新創建碼頭有限公司), a sino-foreign joint venture company established in the PRC, which is owned as to 50% by Xiangyu Logistics and 50% by NWXP |
| “PRC” | The People’s Republic of China, which for the purpose of this announcement, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan |
| “Songyu Acquisition” | the acquisition of a further 15.35% shareholding interest in Songyu Terminal by the JV Company from XPHG pursuant to the Agreement after Establishment |

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| “Songyu Terminal” | Xiamen Songyu Container Terminal Co., Ltd.* (廈門嵩嶼集裝箱碼頭有限公司), a sino-foreign joint venture company established in the PRC which is owned as to 25% by Xiamen International, 50% by XPHG and 25% by APM Terminals Xiamen Company Limited |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Trend Wood” | Trend Wood Investments Limited, a company incorporated in Hong Kong with limited liability, which is wholly-owned by NWSHC as at the date of the Agreement |
| “Trend Wood Disposal” | the disposal of 100% shareholding interest in Trend Wood and the TW Shareholder’s Loan pursuant to the Agreement |
| “TW Shareholder’s Loan” | the unsecured and interest-free loan owed by Trend Wood to NWSHC as at the date of completion of the Trend Wood Disposal (including the amount owed by Trend Wood to New World Port Investments Limited, a wholly-owned subsidiary of the Company, which amounted to HK\$411,174,456.32 as at 31 October 2012, and which will be assigned to NWSHC before signing of the agreement in respect of the Trend Wood Disposal) |
| “Xiamen International” | Xiamen International Port Co., Ltd., a company listed on the Main Board of the Stock Exchange (stock code: 3378) |
| “Xiamen ITG” | Xiamen ITG Group Corp., Ltd.* (廈門國貿集團股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600755.SH) |
| “Xiangyu Logistics” | Xiamen Xiangyu Logistics Group Corporation* (廈門象嶼物流集團有限責任公司), a limited liability company incorporated in the PRC, which is a wholly-owned subsidiary of Xiamen Xiangyu Co., Ltd. (廈門象嶼股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 600057.SH) |
| “Xinhaida” | Xiamen Haicang Xinhaida Container Terminals Company Limited (廈門海滄新海達集裝箱碼頭有限公司), a sino-foreign joint venture company established in the PRC, which is owned as to 46% by Trend Wood, 34% by Xiamen Haicang Investment Group Co., Ltd.* (廈門海滄投資集團有限公司) and 20% by Initial Sun Limited |
| “XMHCP” | Xiamen Haicang Port Company Limited* (廈門海滄港務有限公司), a limited liability company established in the PRC which is owned as to 70% by Xiamen International and as to 30% by Xiamen ITG |

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| “XPHG” | Xiamen Port Holding Group Co., Ltd.* (廈門港務控股集團有限公司), a company established in the PRC and a controlling shareholder holding approximately 62.46% equity interest in Xiamen International |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “%” | per cent. |

For the purposes of this announcement, unless otherwise specified, conversions of RMB into Hong Kong dollars are based on the exchange rate of RMB0.80 to HK\$1.00 for the purposes of illustration only. No representation is made that any amount in RMB or Hong Kong dollars could have been or could be converted at the above rate or any other rates.

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

Hong Kong, 25 February 2013

As at the date of this announcement, (a) the executive directors of the Company are Dr. Cheng Kar Shun, Henry, Mr. Tsang Yam Pui, Mr. Lam Wai Hon, Patrick, Mr. Cheung Chin Cheung, Mr. William Junior Guilherme Doo and Mr. Cheng Chi Ming, Brian; (b) the non-executive directors of the Company are Mr. Doo Wai Hoi, William, Mr. To Hin Tsun, Gerald and Mr. Dominic Lai; and (c) the independent non-executive directors of the Company are Mr. Kwong Che Keung, Gordon, Dr. Cheng Wai Chee, Christopher, The Honourable Shek Lai Him, Abraham, Mr. Wilfried Ernst Kaffenberger (alternate director to Mr. Wilfried Ernst Kaffenberger: Mr. Yeung Kun Wah, David) and Mr. Lee Yiu Kwong, Alan.

* *For identification purposes only*