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新創建 NWS



新世界發展有限公司

New World Development Company Limited

(incorporated in Hong Kong with limited liability)

(stock code: 17)

新創建集團有限公司*

NWS HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

(stock code: 659)

CONNECTED TRANSACTION

The NWD Board and the NWS Board jointly announce that on 6 November 2008, NWSS and NWST entered into the Shareholder's Loan Agreement whereby NWSS agreed to lend to NWST the Shareholder's Loan for the sum of HK\$222.5 million.

Given that NWST is a connected person of each of NWD and NWS, the Shareholder's Loan Agreement and the transaction contemplated thereunder constitutes a connected transaction for each of NWD and NWS under the Listing Rules. As the percentage ratios involved are more than 0.1% but less than 2.5% for both NWD and NWS, the connected transaction contemplated under the Shareholder's Loan Agreement is subject to disclosure by way of an announcement and is exempt from the approval by the independent shareholders of both NWD and NWS under the Listing Rules.

BACKGROUND

NWS, through NWSS, currently holds 50% equity interests in NWST while the remaining 50% equity interests are held by CTF Group. NWST operates transport and related businesses in Hong Kong, Macau and the PRC. Its major subsidiaries include New World First Bus Services Limited, Citybus Limited, New World First Ferry Services Limited and New World First Ferry Services (Macau) Limited.

SHAREHOLDER'S LOAN AGREEMENT DATED 6 NOVEMBER 2008

Parties

Lender: NWSS

Borrower: NWST

The Shareholder's Loan

Pursuant to the Shareholder's Loan Agreement, NWSS agreed to lend to NWST the Shareholder's Loan for the sum of HK\$222.5 million (or in any other currency equivalent to such amount as instructed by NWST). CTF Group has also offered the same amount of shareholder's loan to NWST on 6 November 2008. The shareholders' loans offered by CTF Group and NWS Group are in proportion to their respective shareholdings in NWST.

Term

The period from the date of granting of the Shareholder's Loan by NWSS to NWST to 31 October 2009 (both days inclusive) or for such other period as the parties may agree on from time to time.

Interest

Subject to the terms of the Shareholder's Loan Agreement, interest shall accrue on any outstanding amount of the Shareholder's Loan at a rate of HIBOR plus 1.1% per annum.

Repayment of the Shareholder's Loan

The Shareholder's Loan together with all interest accrued thereon shall be repaid by NWST to NWSS on the occurrence of any of the following events, whichever occurs earlier:

- (a) the expiry of the term as mentioned above; or
- (b) NWST goes into liquidation or any petition for its winding up is presented.

SUBORDINATION DEED

Pursuant to the Facilities Agreement, subordination of the Shareholder's Loan to the lenders to the Facilities Agreement is required. As such, a subordination deed has been entered into between NWSS as subordinated lender, NWST as debtor and the security agent under the Facilities Agreement and pursuant to which the rights of NWSS for repayment of the Shareholder's Loan (including the interest to be accrued) will be governed by the terms of this deed. Moreover, CTF Group has entered into another subordination deed for subordination of the shareholder's loan, which was offered by it to NWST, to the lenders to the Facilities Agreement simultaneously.

REASONS FOR AND BENEFITS OF THE ENTERING INTO THE SHAREHOLDER'S LOAN AGREEMENT

The purpose of entering into the Shareholder's Loan Agreement is to offer to NWST the Shareholder's Loan for financing its general working capital requirement. By offering the Shareholder's Loan, an estimated interest income of approximately HK\$10 million per annum will be received by NWSS.

RELATIONSHIPS BETWEEN THE PARTIES AND CONNECTED TRANSACTION

Each of CTF and NWS indirectly owns 50% of the total issued share capital of NWST. Given that, as at the date of this announcement, CTF holds approximately 37.9% of the total issued share capital of NWD which, in turn, holds approximately 56.9% of the total issued share capital of NWS: (a) CTF is a substantial shareholder of each of NWD and NWS; and (b) NWST, being an associate of CTF, is a connected person of each of NWD and NWS.

The transaction contemplated under the Shareholder's Loan Agreement constitutes a connected transaction for NWS. As the percentage ratios involved are more than 0.1% but less than 2.5% for NWS, the connected transaction contemplated under the Shareholder's Loan Agreement is subject to disclosure by way of an announcement and is exempt from the approval by the independent shareholders of NWS under the Listing Rules.

Moreover, by virtue of the fact that NWS is a subsidiary of NWD, the transaction contemplated under the Shareholder's Loan Agreement also constitutes a connected transaction for NWD. As the percentage ratios involved are more than 0.1% but less than 2.5% for NWD, the connected transaction contemplated under the Shareholder's Loan Agreement is subject to disclosure by way of an announcement and is exempt from the approval by the independent shareholders of NWD under the Listing Rules.

Each of the NWD Board and the NWS Board (including their respective independent non-executive directors) considers that the terms and conditions of the Shareholder's Loan Agreement are on normal commercial terms and are fair and reasonable and in the interests of both NWD Group and NWS Group and their respective shareholders as a whole.

INFORMATION REGARDING NWD GROUP, NWS GROUP AND NWST GROUP

NWD Group

NWD Group's principal business includes property development, property investments, hotel and infrastructure investments, services, department store operation, telecommunications and technology.

As at the date of this announcement: (a) the executive directors of NWD are Dato' Dr. Cheng Yu Tung, Dr. Cheng Kar Shun, Henry, Dr. Sin Wai Kin, David, Mr. Liang Chong Hou, David, Mr. Leung Chi Kin, Stewart and Mr. Cheng Chi Kong, Adrian; (b) the non-executive directors of NWD are Lord Sandberg, Michael, Mr. Cheng Kar Shing, Peter, Mr. Chow Kwai Cheung and Mr. Liang Cheung Bui, Thomas; and (c) the independent non-executive directors of NWD are Mr. Yeung Ping Leung, Howard, Dr. Cha Mou Sing, Payson (alternate director to Dr. Cha Mou Sing, Payson: Mr. Cha Mou Zing, Victor), Mr. Ho Hau Hay, Hamilton and Mr. Lee Luen Wai, John.

NWS Group

NWS Group's principal businesses include: (a) the investment in and/or operation of facilities, contracting, transport and financial services; and (b) the development, investment, operation and/or management of power plants, water treatment and waste management plants, roads as well as container terminals.

As at the date of this announcement: (a) the executive directors of NWS are Dr. Cheng Kar Shun, Henry, Mr. Doo Wai Hoi, William, Mr. Chan Kam Ling, Mr. Tsang Yam Pui, Mr. Wong Kwok Kin, Andrew, Mr. Lam Wai Hon, Patrick, Mr. Cheung Chin Cheung and Mr. William Junior Guilherme Doo; (b) the non-executive directors of the Company are Mr. Wilfried Ernst Kaffenberger (alternate director to Mr. Wilfried Ernst Kaffenberger: Mr. Yeung Kun Wah, David), 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, Mr. Cheng Wai Chee, Christopher and The Honourable Shek Lai Him, Abraham.

NWST Group

NWST Group operates transport and related businesses in Hong Kong, Macau and the PRC.

TERMS USED IN THE ANNOUNCEMENT

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

“CTF”	Chow Tai Fook Enterprises Limited, a company incorporated in Hong Kong with limited liability which holds approximately 37.9% of the total issued share capital of NWD and approximately 2.9% of the total issued share capital of NWS
“CTF Group”	collectively, CTF and its associates
“Facilities Agreement”	a facilities agreement entered into between NWST together with certain of its wholly owned subsidiaries and a syndicate of bankers in relation to the term loan and revolving credit facilities up to HK\$3.3 billion
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HIBOR”	Hong Kong Interbank Offered Rate
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Macau”	the Macau Special Administrative Region of the PRC

“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 of Hong Kong Limited
“NWD Board”	the board of directors of NWD
“NWD Group”	collectively, NWD and its subsidiaries
“NWS”	NWS Holdings Limited, a company incorporated in Bermuda with limited liability and whose shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited
“NWS Board”	the board of directors of NWS
“NWS Group”	collectively, NWS and its subsidiaries
“NWSS”	NWS Service Management Limited, a company incorporated in the British Virgin Islands and is an indirect wholly owned subsidiary of NWS
“NWST”	NWS Transport Services Limited, a company incorporated in the British Virgin Islands in which NWSS holds 50% equity interests
“NWST Group”	collectively, NWST and its subsidiaries
“PRC”	The People’s Republic of China
“Shareholder’s Loan”	a loan for the sum of HK\$222.5 million (or in any other currency equivalent to such amount as instructed by NWST) lent by NWSS to NWST by way of shareholder’s loan
“Shareholder’s Loan Agreement”	the shareholder’s loan agreement entered into between NWSS and NWST on 6 November 2008 in respect of the Shareholder’s Loan
“%”	per cent.

By order of the board of
New World Development Company Limited
Leung Chi Kin, Stewart
Company Secretary

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

Hong Kong, 6 November 2008

* *For identification purposes only*