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 $(incorporated\ in\ the\ Cayman\ Is lands\ with\ limited\ liability)$

(Stock Code: 917)

CONTINUING CONNECTED TRANSACTION

TENANCY AGREEMENT

On 29 June 2009, the Company entered into a tenancy agreement with NWT for lease of the Property for a term of three (3) years commencing from 1 July 2009 to 30 June 2012.

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 maximum 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 29 JUNE 2009

Landlord: NWT

Tenant: The Company

Property: 9/F., New World Tower 1, 18 Queen's Road Central, Hong Kong with

gross floor area of 13,900 square feet

Term: Three (3) years commencing from 1 July 2009 to 30 June 2012 (both days

inclusive)

Rental: HK\$583,800 per month, exclusive of government rates, payable in cash

monthly in advance

Management fees and

air-conditioning charges: HK\$62,550 per month (subject to adjustment by NWT)

THE CAPAMOUNT FOR THE TENANCY AGREEMENT

Based on the monthly rental, management fees and air-conditioning charges payable under the Tenancy Agreement, as well as the anticipated increase in management fees and air-conditioning charges associated with the increase in leased area from 9,375 square feet to 13,900 square feet, higher air-conditioning charges during summer periods and possible adjustment made by NWT in the levels of management fees and air-conditioning charges payable, the maximum annual aggregate amounts payable by the Company under the Tenancy Agreement will not exceed HK\$9,000,000 for each of the financial years ending 30 June 2010, 30 June 2011 and 30 June 2012.

Historical figures

The Company has been leasing portion of the Property with gross floor area of 9,375 square feet from NWT, details of the relevant tenancy agreement were set out in an announcement of the Company dated 29 June 2007. The amounts of rental, management fees and air-conditioning charges paid by the Company to NWT for lease of the said portion of the Property for the financial years ended 30 June 2007 and 30 June 2008 and for the nine months ended 31 March 2009 were HK\$3,544,000, HK\$5,006,000 and 3,769,000, respectively.

The cap amounts for the Existing Tenancy Agreements

In addition to the Tenancy Agreement, the Group had entered into the Existing Tenancy Agreements with NWT for leases of the following office premises as announced by the Company on 16 October 2007 and 20 January 2009:-

- (i) 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 1 October 2007; and
- (ii) portion of 36/F., New World Tower 1, 18 Queen's Road Central, Hong Kong with gross floor area of 5,884 square feet for two years five months and five days commencing from 1 January 2009.

The aggregate cap amounts for the Existing Tenancy Agreements were HK\$5,700,000, HK\$8,200,000 and HK\$8,200,000 for the three financial years ending 30 June 2009, 30 June 2010 and 30 June 2011, respectively.

REASONS FOR THE TRANSACTION

The purpose of entering into the Tenancy Agreement is to renew the existing lease in respect of the portion of the Property which will expire on 30 June 2009 and to increase the floor space for use as head office of the Group in Hong Kong.

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 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.

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

CONNECTED RELATIONSHIP 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 maximum annual aggregate amounts payable under the Tenancy Agreement and the Existing Tenancy Agreements are HK\$17,200,000, HK\$17,200,000 and HK\$9,000,000 for the three financial years ending 30 June 2010, 30 June 2011 and 30 June 2012, respectively, which 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 16 October 2007 and 20 January 2009

entered into between the Company or its wholly-owned subsidiary as tenant and NWT as landlord for leases of the office premises at 34/F. and 36/F., New World Tower 1, 18 Queen's Road Central,

Hong Kong

"Group" the Company and its subsidiaries

"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

"NWT" New World Tower Company Limited, a company incorporated in

Hong Kong, a wholly-owned subsidiary of NWD

"Property" 9/F., New World Tower 1, 18 Queen's Road Central, Hong Kong

with gross floor area of 13,900 square feet

"Tenancy Agreement" the agreement dated 29 June 2009 entered into between the

Company as tenant and NWT as landlord for lease of the Property

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

Hong Kong, 29 June 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) and The Stock Exchange of Hong Kong Limited (www.hkexnews.hk).