

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



**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: 0917)

## **CONTINUING CONNECTED TRANSACTION TENANCY AGREEMENTS**

On 29 June 2007, the Company renewed the leases of office premises with NWT for a term of two years commencing from 1 July 2007 to 30 June 2009.

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

Given that the transaction amounts under the Tenancy Agreements on annual basis fall within the threshold prescribed in Rule 14A.34 of the Listing Rules, the entering into of the Tenancy Agreements 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 of directors of New World China Land Limited (the “**Company**”) announces that the following tenancy agreements (together, the “**Tenancy Agreements**”) have been entered into:

### **TENANCY AGREEMENT DATED 29 JUNE 2007**

Landlord:	New World Tower Company Limited (“NWT”)
Tenant:	the Company
Premises:	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
Term:	two years commencing from 1st July 2007 to 30th June 2009 (both days inclusive)
Rental:	HK\$375,000 per month, exclusive of government rates, payable in cash monthly in advance
Management fees and air-conditioning charges:	HK\$42,187.50 per month (subject to adjustment by NWT)

## TENANCY AGREEMENT DATED 29 JUNE 2007

Landlord:	NWT
Tenant:	the Company
Premises:	a portion of 33/F., New World Tower 1, 18 Queen's Road Central, Hong Kong with gross floor area of 1,296 square feet
Term:	two years commencing from 1st July 2007 to 30th June 2009 (both days inclusive)
Rental:	HK\$51,840 per month, exclusive of government rates, payable in cash monthly in advance
Management fees and air-conditioning charges:	HK\$5,832 per month (subject to adjustment by NWT)

### THE CAP AMOUNTS

Based on the monthly rental, management fees and air-conditioning charges payable under the Tenancy Agreements, the maximum annual aggregate amounts payable by the Company under the Tenancy Agreements will not exceed HK\$6,000,000 for each of the financial years ending 30 June 2008 and 30 June 2009.

There is no other similar transaction which should be aggregated with the Tenancy Agreements pursuant to Rule 14A.25 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**").

### Historical figures

On 30 June 2005, the Company announced that it had entered into two tenancy agreements (the "**Existing Leases**") with NWT for lease of the same premises for two years commencing from 1 July 2005. The Company had paid an aggregate amount of HK\$3,906,000 and HK\$4,034,000 for the financial year ended 30 June 2006 and 30 June 2007, respectively as rental and related charges payable under the Existing Leases. The figures fall within the expected maximum annual amount of HK\$4,200,000 as set out in the Company's announcement dated 30 June 2005. The Company has also fully complied with the disclosure, annual review and reporting requirements as stipulated under Chapter 14A of the Listing Rules in respect of the Existing Leases.

### REASONS FOR THE TRANSACTION

The purpose of entering into the Tenancy Agreements is to renew the Existing Leases for the same premises being occupied by the Company and its subsidiaries as head offices in Hong Kong. The Existing Leases will expire on 30 June 2007.

The terms of the Tenancy Agreements are negotiated on an arm's length basis between NWT and the Company and are on normal commercial terms. The rental of the premises has been arrived at by reference to the prevailing market rate of the similar leases in the same building. The directors of the Company (including the independent non-executive directors) consider that the terms of the Tenancy Agreements are fair and reasonable, being not less favourable than terms available from independent third parties and are in the interest of the shareholders of the Company as a whole.

## INFORMATION RELATING TO THE COMPANY AND NWT

The Company is principally engaged in the property development and property related investment in the People's Republic of China. NWT is a private company wholly-owned by New World Development Company Limited ("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 Agreements constitutes a continuing connected transaction for the Company under the Listing Rules. Given that the transaction amounts under the Tenancy Agreements on annual basis fall within the threshold prescribed in Rule 14A.34 of the Listing Rules, the entering into of the Tenancy Agreements 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.

By order of the board of  
**New World China Land Limited**  
**Ngan Man-ying, Lynda**  
*Company Secretary*

Hong Kong, 29 June 2007

*As at the date of this announcement, the board of NWC comprises (a) nine executive directors, namely Dr. Cheng Kar-shun, Henry, Mr. Doo Wai-hoi, William, Mr. Cheng Kar-shing, Peter, Mr. Leung Chi-kin, Stewart, Mr. Chow Kwai-cheung, Mr. Chow Yu-chun, Alexander, Mr. Fong Shing-kwong, Michael, Ms. Ngan Man-ying, Lynda and Mr. Cheng Chi-kong, Adrian; (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.*