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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: 917)

DISCLOSEABLE AND CONNECTED TRANSACTION

Withdrawal of CJV Interest

On 3 September 2009, Ever Brisk and Tianjin Anju entered into the Agreement in which Tianjin Anju agreed to withdraw all of its 30% CJV Interest for nil consideration.

Discloseable and Connected Transaction

As one of the relevant percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Agreement is more than 5% but less than 25%, entering into the Agreement constitutes a discloseable transaction of the Company. The Agreement and the transactions contemplated thereunder are therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As at the date of this announcement, Tianjin Anju is a connected person of the Company by virtue of its holding of 30% CJV Interest. Accordingly, entering into the Agreement constitutes a connected transaction of the Company under the Listing Rules. As more than one of the relevant percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Agreement are more than 2.5% but less than 25% and the consideration is less than HK\$10,000,000, the Agreement and the transactions contemplated thereunder are subject to the reporting and announcement requirements and are exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

WITHDRAWAL OF CJV INTEREST

On 25 June 1996, Ever Brisk and Tianjin Anju entered into the CJV Agreement to establish the CJV, in which Ever Brisk and Tianjin Anju has a 70% and 30% CJV Interest, respectively. Pursuant to the terms of the CJV Agreement, among other things, Ever Brisk shall be responsible for providing the registered capital of the CJV and raising funds for construction projects, whilst Tianjin Anju shall be responsible for negotiating with the relevant PRC government authorities in relation to the procurement of allocated land use rights for the CJV.

However, circumstances have changed after the promulgation and implementation of relevant land reform policies in the PRC to unify the system for granting state-owned land use rights through bidding at auctions organised by the relevant PRC government authorities.

On 3 September 2009, Ever Brisk and Tianjin Anju entered into the Agreement in which Tianjin Anju agreed to withdraw all of its 30% CJV Interest for nil consideration.

Subject to and upon the completion of the registration procedure in respect of the withdrawal of 30% CJV Interest by Tianjin Anju, Ever Brisk will have 100% CJV Interest and the CJV will become a wholly-owned subsidiary of each of Ever Brisk and the Company.

REASONS FOR AND BENEFITS OF ENTERING INTO THE AGREEMENT

Tianjin Anju has been playing an inactive role in the CJV for a number of years following the promulgation and implementation of the relevant land reform policies in the PRC to unify the system for granting state-owned land use rights through bidding at auctions organised by the PRC government authorities. The withdrawal of 30% CJV Interest by Tianjin Anju will allow Ever Brisk to gain full control of the CJV and entitle it to 100% of the profits of the CJV.

The terms of the Agreement have been determined through arm's length negotiations between the parties and reflect normal commercial terms. The Board (including the independent non-executive directors) considers that the terms of the Agreement are fair and reasonable and in the interests of the Company and the shareholders of the Company as a whole.

LISTING RULES IMPLICATIONS

As one of the relevant percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Agreement is more than 5% but less than 25%, entering into the Agreement constitutes a discloseable transaction of the Company. The Agreement and the transactions contemplated thereunder are therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As at the date of this announcement, Tianjin Anju is a connected person of the Company by virtue of its holding of 30% CJV Interest. Accordingly, entering into the Agreement constitutes a connected transaction of the Company under the Listing Rules. As more than one of the relevant percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Agreement are more than 2.5% but less than 25% and the consideration is less than HK\$10,000,000, the Agreement and the transactions contemplated thereunder are subject to the reporting and announcement requirements and are exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

INFORMATION RELATING TO THE CJV

The CJV is a co-operative joint venture enterprise established in the PRC with fully paid up registered capital of US\$50,000,000. The current principal business activity of the CJV is the resettlement and demolition works in Nanshi Development, Heping District, Tianjin, the PRC with a site area of 58,885 square meters. It is expected that the resettlement and demolition works in respect of the site will be completed by the end of December 2009.

For the financial years ended 30 June 2007 and 30 June 2008, the audited net profit before and after taxation and extraordinary items attributable to the CJV were approximately HK\$1,280,000 and HK\$9,808,000, respectively.

As at 31 December 2008, the audited net asset value of the CJV was approximately HK\$1,423,689,000.

INFORMATION RELATING TO THE COMPANY

The Company is principally engaged in the property development, property related investments as well as rental and hotel operation in the PRC.

INFORMATION RELATING TO TIANJIN ANJU

The principal business activity of Tianjin Anju is the construction of basic urban public facilities, development and sales and leasing of properties, project construction, development and sales of construction materials and parts.

DEFINITIONS

“Agreement”	the agreement dated 3 September 2009 entered into between Ever Brisk and Tianjin Anju;
“Board”	the board of Directors;
“CJV”	天津新世界房地產開發有限公司 (Tianjin New World Property Development Company Limited*), a co-operative joint venture enterprise established by Ever Brisk and Tianjin Anju with CJV Interest of 70% and 30%, respectively, pursuant to the CJV Agreement;
“CJV Agreement”	the agreement dated 25 June 1996 entered into between Ever Brisk and Tianjin Anju to establish the CJV;
“CJV Interest”	the relevant interest of Ever Brisk and Tianjin Anju in the profits of the CJV according to the profit sharing ratios specified in the CJV Agreement;
“Company”	New World China Land Limited, a company whose shares are listed on the main board of the Stock Exchange (Stock Code: 917);
“connected person”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	director(s) of the Company;

“Ever Brisk”	Ever Brisk Limited, a limited liability company incorporated under the laws of British Virgin Islands and a wholly-owned subsidiary of the Company;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, Taiwan and the Macau Special Administrative Region of the PRC);
“RMB”	Renminbi, the lawful currency of the PRC;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiary”	has the meaning ascribed thereto in the Listing Rules;
“Tianjin Anju”	天津市安居建設發展總公司 (Tianjin Anju Construction Development Company Limited*), a limited liability company incorporated under the laws of the PRC;
“%”	per cent.

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

Hong Kong, 3 September 2009

As at the date of this announcement, the board of directors of the Company 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.

This announcement is published on the websites of the Company (www.nwcl.com.hk) and the Stock Exchange (www.hkexnews.hk).

** For identification purpose only*