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新世界發展有限公司

New World Development Company Limited

(incorporated in Hong Kong with limited liability)

(Stock code: 0017)

CONTINUING CONNECTED TRANSACTIONS

In the ordinary course of their business, relevant members of the NWSH Group regularly enter into continuing connected transactions with members of the CTF Enterprises Group. On 24 January 2008, NWSH and CTF Enterprises entered into: (i) the CTF Master Operational Services Agreement whereby NWSH and CTF Enterprises agree to procure that members of the NWSH Group or the CTF Enterprises Group (to the extent practicable) engage relevant members of the CTF Enterprises Group or the NWSH Group to provide the Operational Services to relevant members of the NWSH Group or the CTF Enterprises Group during the term of the CTF Master Operational Services Agreement; and (ii) the CTF Master Financial Services Agreement whereby CTF Enterprises agrees to procure that members of the CTF Enterprises Group engage relevant members of the NWSH Group to provide Financial Services to relevant members of the CTF Enterprises Group during the term of the CTF Master Financial Services Agreement.

On 24 January 2008, NWSH and Mr. Lo entered into the Mr. Lo Master Services Agreement whereby the NWSH Group agrees to provide Financial Services to the Service Receiving Parties.

As the Group holds approximately 56.37% of the total issued share capital of NWSH, NWSH is a subsidiary of the Company. As CTF Enterprises holds approximately 37.02% of the total issued share capital of the Company, it is a substantial shareholder of the Company, and hence a connected person of the Company. Accordingly, the CTF Master Operational Services Agreement, the CTF Master Financial Services Agreement and all the transactions contemplated thereunder (excluding the transactions between the NWSH Group and the Group) constitute continuing connected transactions of the Company under Rule 14A.14 of the Listing Rules. Further, given that Mr. Lo is the deputy chairman and an executive director of TFSG, a subsidiary of NWSH, which is in turn a subsidiary of the Company, he is a connected person of the Company. Therefore, the Mr. Lo Master Services Agreement and all the transactions contemplated thereunder also constitute continuing connected transactions of the Company under Rule 14A.14 of the Listing Rules. As each of the percentage ratios in respect of the Continuing Connected Transactions contemplated under the Master Services Agreements will

be less than 2.5% on an annual basis, such transactions will only be subject to the reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Listing Rules and will be exempt from the independent shareholders' approval requirement.

1. BACKGROUND

In the ordinary course of their business, members of the NWSH Group (including the TFSG Group) regularly enter into continuing connected transactions with members of the CTF Enterprises Group (which includes members of the Group). In order to streamline and renew such continuing connected transactions, on 24 January 2008, NWSH and CTF Enterprises entered into: (i) the CTF Master Operational Services Agreement whereby each of NWSH and CTF Enterprises agrees to procure that members of the NWSH Group or the CTF Enterprises Group (to the extent practicable) engage relevant members of the CTF Enterprises Group or the NWSH Group to provide the Operational Services to relevant members of the NWSH Group or the CTF Enterprises Group during the term of the CTF Operational Master Services Agreement; and (ii) the CTF Master Financial Services Agreement whereby CTF Enterprises agrees to procure that members of the CTF Enterprises Group engage relevant members of the NWSH Group to provide Financial Services to relevant members of the CTF Enterprises Group during the term of the CTF Master Financial Services Agreement.

As the Group holds approximately 56.37% of the total issued share capital of NWSH, NWSH is a subsidiary of the Company. As CTF Enterprises holds approximately 37.02% of the total issued share capital of the Company, it is a substantial shareholder of the Company and is considered a connected person of the Company. Accordingly, the CTF Master Operational Services Agreement, the CTF Master Financial Services Agreement and all the transactions contemplated thereunder (excluding the transactions between the NWSH Group and the Group) constitute continuing connected transactions of the Company under Rule 14A.14 of the Listing Rules.

On 24 January 2008, NWSH and Mr. Lo entered into the Mr. Lo Master Services Agreement whereby the NWSH Group agrees to provide Financial Services to the Service Receiving Parties. As Mr. Lo is the deputy chairman and an executive director of TFSG, a subsidiary of NWSH, which in turn is a subsidiary of the Company, he is a connected person of the Company. The Mr. Lo Master Services Agreement and all the transactions contemplated thereunder also constitute continuing connected transactions of the Company under Rule 14A.14 of the Listing Rules.

2. CONTINUING CONNECTED TRANSACTIONS UNDER THE CTF MASTER OPERATIONAL SERVICES AGREEMENT

Date:	24 January 2008
Parties:	(1) CTF Enterprises (2) NWSH
Duration:	An initial term of three years commencing from 24 January 2008 to 23 January 2011 (both days inclusive). Subject to re-compliance with the reporting, announcement and independent shareholders' approval requirements under Rules 14A.45 to 14A.48 of the Listing Rules and/or any other applicable requirements under the Listing Rules at the relevant time, the CTF Master Operational Services Agreement may be renewed for a further term of three years.
Nature of Transactions:	Provision of the Operational Services by members of the NWSH Group to members of the CTF Enterprises Group and vice versa.
Pricing:	On normal commercial terms and at rates no less favourable than the rates charged to independent third party customers of the NWSH Group or the CTF Enterprises Group (as the case may be).

Provision of the Operational Services

Under the CTF Master Operational Services Agreement, each of NWSH and CTF Enterprises agrees to, and agrees to procure that members of the NWSH Group or the CTF Enterprises Group (to the extent practicable) engage relevant members of the CTF Enterprises Group or the NWSH Group to provide the Operational Services to relevant members of the NWSH Group or the CTF Enterprises Group during the term of the CTF Master Operational Services Agreement.

The Operational Services include the following categories of services, and such other types of services as NWSH and CTF Enterprises may agree upon from time to time in writing:

Operational Services categories	Description of services
(a) Contracting Services	Building and general construction, civil engineering, building exterior and interior design, building repair, renovation maintenance and other services, demolition, piling and foundation, building and property fitting out and decoration work, construction management and the supply of construction and building equipment and materials, electrical and mechanical engineering works, supply and installation of air-conditioning, heating and ventilation systems, fire services systems, plumbing and drainage systems, lift repair and maintenance services, electrical systems and system design and consultancy and computer aided drafting services.
(b) General Services	<p>Cleaning and landscaping services – general cleaning, landscaping and plant maintenance, the supply of plants and laundry services.</p> <p>Facility management services – provision of information technology and telecommunications services, provision of convention and exhibition facilities, related functions and services, food and beverage catering services at the Hong Kong Convention and Exhibition Centre and other locations, food processing, trading and supply, and merchandise sourcing, procurement and supply.</p> <p>Property management services – property management, property sales, letting agency services, pre-marketing consultancy services, technical services and the provision of car parking, management and related services (including certain rebates to be paid by the NWSH Group).</p> <p>Security and guarding services – provision of security guards, security systems installation and maintenance services, armoured transport services and supply of security products.</p>
(c) Rental Services	Rental of properties, spare spaces, vehicles and vessels.

The above-mentioned engagement is subject to the following qualifications:

- (a) the engagement only applies to services required for business and projects for which the relevant members of the NWSH Group or the CTF Enterprises Group (as the case may be) have the right to select providers of the relevant services;
- (b) the engagement is not contrary to the terms of contracts governing the relevant business or projects or any applicable laws, regulations or administrative directives promulgated by competent authorities to which the business and projects of the relevant members of the NWSH Group or the CTF Enterprises Group (as the case may be) relate; and
- (c) in the event that the relevant members of the NWSH Group or the CTF Enterprises Group (as the case may be) are required to select the providers of particular services through auction tenders, the engagement shall only become effective as and when the relevant members of the CTF Enterprises Group or the NWSH Group (as the case may be) have been selected by the relevant members of the NWSH Group or the CTF Enterprises Group (as the case may be) to provide the relevant services as a result of the relevant auction tenders.

Terms and pricing policies

Pursuant to the CTF Master Operational Services Agreement, members of the CTF Enterprises Group and members of the NWSH Group shall, from time to time during the term of the CTF Master Operational Services Agreement, enter into separate Operational Agreements in respect of the provision of the Operational Services provided that such separate agreements shall always be subject to the CTF Master Operational Services Agreement. In this connection, NWSH and CTF Enterprises have agreed that:

- (a) the prices and terms of the Operational Agreements with respect to the Contracting Services, the General Services and the Rental Services shall be determined in the ordinary course of business on normal commercial terms, negotiated on arm's length basis and at prices and terms no less favourable than those charged and provided to independent third party customers of the NWSH Group or the CTF Enterprises Group (as the case may be);
- (b) the prices and terms at which the security and guarding services as grouped under the General Services to be provided shall be determined in the ordinary course of business on a cost-plus basis at prices and terms no less favourable than those charged to and contracted with other independent third party customers of the NWSH Group. The cost element includes all direct costs incurred, such as staff costs, public liability insurance and other indirect or common costs allocated on turnover or other equitable basis; and

(c) the term of each Operational Agreement shall be fixed and in any event shall not exceed three years. If the term of an Operational Agreement extends beyond 23 January 2011 (that is, the date on which the initial term of the CTF Master Operational Services Agreement ends), the Company and NWSH will re-comply with the applicable requirements under the Listing Rules at the relevant time.

In pricing its services to independent third party customers, the NWSH Group will take into consideration factors which are common and reasonable for providers of similar services such as market conditions, competition, profit margin, direct and indirect costing, opportunity cost, project duration and all relevant risk factors including client risk.

3. CONTINUING CONNECTED TRANSACTIONS UNDER THE CTF MASTER FINANCIAL SERVICES AGREEMENT

Date: 24 January 2008

Parties: (1) CTF Enterprises
(2) NWSH

Duration: An initial term of three years commencing from 24 January 2008 to 23 January 2011 (both days inclusive). Subject to re-compliance with the reporting, announcement and independent shareholders' approval requirements under Rules 14A.45 to 14A.48 of the Listing Rules and/or any other applicable requirements under the Listing Rules at the relevant time, the CTF Master Financial Services Agreement may be renewed for a further term of three years.

Nature of Transactions: Provision of the Financial Services by the relevant members of the NWSH Group to members of the CTF Enterprises Group.

Pricing: On normal commercial terms and at rates no less favourable than the rates charged to independent third party customers of the NWSH Group.

Provision of the Financial Services

Under the CTF Master Financial Services Agreement, CTF Enterprises agrees to, and agrees to procure that members of the CTF Enterprises Group engage relevant members of the NWSH Group to provide the Financial Services to relevant members of the CTF Enterprises Group during the term of the CTF Master Financial Services Agreement.

The Financial Services include the services of risk management, insurance management, global and regional management, alternate risk financing and reinsurance broking services, MPF scheme management services, financial advisory services and placing, underwriting and sub-underwriting services including but not limited to, dealing in securities, dealing in futures contracts, dealing and advising on leveraged foreign exchange trading, securities and corporate finance (as such terms are defined under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)), and such other types of services as NWSH and CTF Enterprises may agree upon from time to time in writing.

The above-mentioned engagement is subject to the following qualifications:

- (a) the engagement only applies to services required for business and projects for which the relevant members of the CTF Enterprises Group have the right to select providers of the relevant services; and
- (b) the engagement is not contrary to the terms of contracts governing the relevant business or projects or any applicable laws, regulations or administrative directives promulgated by competent authorities to which the business and projects of the relevant members of the NWSH Group or the CTF Enterprises Group (as the case may be) relate.

Terms and pricing policies

Pursuant to the CTF Master Financial Services Agreement, members of the CTF Enterprises Group and members of the NWSH Group shall, from time to time during the term of the CTF Master Financial Services Agreement, enter into separate Financial Agreements in respect of the provision of the Financial Services provided that such separate agreements shall always be subject to the CTF Master Financial Services Agreement. In this connection, NWSH and CTF Enterprises have agreed that:

- (a) the prices and terms of the Financial Agreements with respect to the Financial Services shall be determined in the ordinary course of business on normal commercial terms, negotiated on arm's length basis and at prices and terms no less favourable than those charged and provided to independent third party customers of the NWSH Group; and

(b) the term of each Financial Agreement shall be fixed and in any event shall not exceed three years. If the term of a Financial Agreement extends beyond 23 January 2011 (that is, the date on which the initial term of the CTF Master Financial Services Agreement ends), the Company and NWSH will re-comply with the applicable requirements under the Listing Rules at the relevant time.

In pricing its services to independent third party customers, the NWSH Group will take into consideration factors which are common and reasonable for providers of similar services such as market conditions, competition, profit margin, direct and indirect costing, opportunity cost, project duration and all relevant risk factors including client risk.

4. CONTINUING CONNECTED TRANSACTIONS UNDER THE MR. LO MASTER SERVICES AGREEMENT

Date: 24 January 2008

Parties: (1) Mr. Lo
(2) NWSH

Duration: An initial term of three years commencing from 24 January 2008 to 23 January 2011 (both days inclusive). Subject to re-compliance with the reporting, announcement and independent shareholders' approval requirements under Rules 14A.45 to 14A.48 of the Listing Rules and/or any other applicable requirements under the Listing Rules at the relevant time, the Mr. Lo Master Services Agreement may be renewed for a further term of three years.

Nature of Transactions: Provision of the Financial Services by the relevant members of the NWSH Group to the Service Receiving Parties.

Pricing: On normal commercial terms and at rates no less favourable than the rates at which the relevant members of the NWSH Group charge other independent third parties of the NWSH Group for the relevant services.

Provision of the Financial Services

Under the Mr. Lo Master Services Agreement, Mr. Lo agrees to, and agrees to procure that the other Service Receiving Parties engage relevant members of the NWSH Group to provide the Financial Services to relevant Services Receiving Parties during the term of the Mr. Lo Master Services Agreement.

The Financial Services include the services of risk management, insurance management, global and regional management, alternate risk financing and reinsurance broking services, MPF scheme management services, financial advisory services and placing, underwriting and sub-underwriting services including but not limited to, dealing in securities, dealing in futures contracts, dealing and advising on leveraged foreign exchange trading, securities and corporate finance (as such terms are defined under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)), and such other types of services as NWSH and Mr. Lo may agree upon from time to time in writing.

The above-mentioned engagement is subject to the following qualifications:

- (a) the engagement only applies to services required for business and projects for which the relevant Service Receiving Parties have the right to select providers of the relevant services; and
- (b) the engagement is not contrary to the terms of contracts governing the relevant business or projects or any applicable laws, regulations or administrative directives promulgated by competent authorities to which the business and projects of the relevant members of the NWSH Group or the Service Receiving Parties (as the case may be) relate.

Terms and pricing policies

Pursuant to the Mr. Lo Master Services Agreement, the Service Receiving Parties and members of the NWSH Group shall, from time to time during the term of the Mr. Lo Master Services Agreement, enter into separate Financial Agreements in respect of the provision of the Financial Services provided that such separate agreements shall always be subject to the Mr. Lo Master Services Agreement. In this connection, NWSH and Mr. Lo have agreed that:

- (a) the prices and terms of the Financial Agreements with respect to the Financial Services shall be determined in the ordinary course of business on normal commercial terms, negotiated on arm's length basis and at prices and terms no less favourable than those charged and provided to independent third party customers of the NWSH Group; and
- (b) the term of each Financial Agreement shall be fixed and in any event shall not exceed three years. If the term of a Financial Agreement extends beyond 23 January 2011 (that is, the date on which the initial term of the Mr. Lo Master Services Agreement ends), the Company and NWSH will re-comply with the applicable requirements under the Listing Rules at the relevant time.

In pricing its services to independent third party customers, the NWSH Group will take into consideration factors which are common and reasonable for providers of similar services such as market conditions, competition, profit margin, direct and indirect costing, opportunity cost, project duration and all relevant risk factors including client risk.

5. HISTORIC AGGREGATE TRANSACTION VALUES

The aggregate transaction values in respect of the Operational Services and the Financial Services with the CTF Enterprises Group and the provision of the Financial Services by the relevant members of the NWSH Group to the Service Receiving Parties (excluding transactions between NWSH Group and the Group) for the financial years ended 30 June 2005, 2006 and 2007 were as follows:

Categories	Aggregate transaction values for each of the financial years ended 30 June		
	2005	2006	2007
	(HK\$ million)	(HK\$ million)	(HK\$ million)
Contracting Services	1.9	78.7	8.2
General Services	4.7	7.1	6.4
Rental Services	—	—	—
Financial Services	11.3	0.9	3.6
	<hr/>	<hr/>	<hr/>
Total	17.9	86.7	18.2
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The percentage ratios of the historic aggregate transaction values in the table above for the financial years ended 30 June 2005, 2006 and 2007 were de minimis and were exempt from all the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. Likewise, the percentage ratios of the transactions between the TFSG Group and the CTF Enterprises Group (excluding the Group and the NWSH Group for this purpose) after TFSG became a subsidiary of the NWSH Group on 8 June 2007 were de minimis and were exempt from all reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

6. REASONS FOR, AND BENEFITS OF ENTERING INTO THE MASTER SERVICES AGREEMENTS

The transactions contemplated under the Master Services Agreements are expected to be of a recurrent nature and will occur on a regular and continuing basis in the ordinary and usual course of business of the NWSH Group and the CTF Enterprises Group. The above-mentioned Operational Agreements and Financial Agreements will be agreed on an arm's length basis and on normal commercial terms.

The Board (including the independent non-executive directors) is of the view that the terms of the Master Services Agreements are fair, reasonable and in the interests of the Company and its shareholders as a whole, and that it is beneficial to the Company for NWSH to enter into the Master Services Agreements because the continuing connected transactions contemplated thereunder will continue to facilitate the operations of the business of the NWSH Group in general.

7. MAXIMUM AGGREGATE ANNUAL VALUES

It is expected that the maximum aggregate annual value (the “**Annual Cap**”) in respect of each category of the Operational Services contemplated under the CTF Master Operational Services Agreement (excluding the transactions between the NWSH Group and the Group) will be as follows:

Operational Services categories	Annual Cap for each of the financial years ending 30 June		
	2008 (HK\$ million)	2009 (HK\$ million)	2010 (HK\$ million)
Contracting Services by members of the NWSH Group to members of the CTF Enterprises Group	486.9	471.3	470.0
General Services by members of the NWSH Group to members of the CTF Enterprises Group	17.4	19.3	21.7
General Services by members of the CTF Enterprises Group to members of the NWSH Group <i>(Note)</i>	—	—	—
Rental Services <i>(Note)</i>	—	—	—
Total	<u>504.3</u>	<u>490.6</u>	<u>491.7</u>

Note: There is no Annual Cap amount for these services because such services contemplated under the CTF Master Operational Services Agreement are all between the NWSH Group and the Group, which for the purpose of this announcement have been excluded as they do not constitute connected transactions of the Company.

It is expected that the maximum aggregate Annual Cap in respect of the Financial Services to be provided by the NWSH Group under the CTF Master Financial Services Agreement (excluding the transactions between the NWSH Group and the Group) and the Mr. Lo Master Services Agreement will be as follows:

Financial Services	Annual Cap for each of the financial years ending 30 June		
	2008 <i>(HK\$ million)</i>	2009 <i>(HK\$ million)</i>	2010 <i>(HK\$ million)</i>
Fees from the provision of the Financial Services by the NWSH Group, including the underwriting and sub-underwriting services	26.3	26.4	26.4
Value of the securities which may be acquired by the NWSH Group pursuant to the underwriting and sub-underwriting commitments under the underwriting and sub-underwriting services	800.0	800.0	800.0
Total	826.3	826.4	826.4

The underwriting and sub-underwriting services under the Financial Services provided by relevant members of the NWSH Group have two aspects. The first aspect relates to the service fees to be received by the relevant members of the NWSH Group for the provision of underwriting and sub-underwriting services, such as underwriting commission. The second aspect relates to the acquisition of securities pursuant to fulfilment of the underwriting and sub-underwriting commitments entered into by the relevant members of the NWSH Group as part of the underwriting and sub-underwriting services provided by the relevant members of the NWSH Group.

Each of the Annual Caps has been determined by reference to: (a) the historical annual or annualised amounts in respect of that category of service provided by the relevant members of the NWSH Group to the relevant members of the CTF Enterprises Group or vice versa during the past three financial years; (b) the historical annual or annualised amounts in respect of the Financial Services provided by the relevant members of the TFSG Group (before they became members of the NWSH Group) to the relevant members of the CTF Enterprises Group and the Service Receiving Parties during the past three financial years; (c) the projected annual or annualised amounts in respect of that category of service to be provided by the relevant members of the NWSH Group to the relevant members of the CTF Enterprises Group or vice versa in the next three financial years; and (d) the projected annual or annualised amounts in respect of the Financial Services to be provided by the relevant members of the NWSH Group to the Service Receiving Parties in the next three financial years.

The above-mentioned projected figures are determined based on the relevant historical figures, taking into account the business growth of the CTF Enterprises Group, the estimated future demand, the inflation factor and adjustments for non-recurring or extraordinary items, and on the principal assumptions that, for the duration of the projected period: (i) the Contracting Services not only benefited from the potential recovery of the Hong Kong property market, but also the potential development of the land banks of the CTF Enterprises Group and the engagement in several potential construction projects in Macau and various cities in the PRC, especially Beijing; (ii) there will be significant potential growth in the Financial Services in light of the booming stock markets and services demand opportunities from the various listed vehicles of the CTF Enterprises Group; (iii) there will not be any adverse change or disruption in market conditions, operation and business environment or government policies which may materially affect the NWSH Group's businesses; and (iv) the service industries in which the NWSH Group operates will have steady growth.

In addition to the above, a substantial part of the increase in the projected figures is due to NWSH's acquisition of TFSG as announced by NWSH on 26 April 2007. As a result of the acquisition, TFSG became a subsidiary of NWSH on 8 June 2007 and connected transactions of TFSG also become connected transactions of NWSH and the Company.

The Board is of the opinion that the proposed Annual Caps as stated above are fair and reasonable and are in the interests of the Company and its shareholders as a whole. The Company will comply with the Listing Rules in the event that any of the Annual Caps set out above is exceeded.

8. REQUIREMENTS OF THE LISTING RULES

As at the date of this announcement, CTF Enterprises holds approximately 37.02% of the total issued share capital of the Company, is a substantial shareholder of the Company and hence, a connected person of the Company. The Group holds approximately 56.37% of the total issued share capital of NWSH and NWSH is a subsidiary of the Company.

The CTF Master Operational Services Agreement, the CTF Master Financial Services Agreement and all the transactions contemplated thereunder, excluding the transactions between the NWSH Group and the Group, will constitute continuing connected transactions of the Company under Rule 14A.14 of the Listing Rules.

As at the date of this announcement, Mr. Lo is the deputy chairman and an executive director of TFSG, a subsidiary of NWSH, which in turn is a subsidiary of the Company, and hence a connected person of the Company. Accordingly, the Mr. Lo Master Services Agreement and all the transactions contemplated thereunder also constitute continuing connected transactions of the Company under Rule 14A.14 of the Listing Rules.

As each of the relevant percentage ratios of the Continuing Connected Transactions will be less than 2.5% on an annual basis, such transactions will only be subject to the reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Listing Rules and will be exempt from the independent shareholders' approval requirement.

In the event that any of the Annual Caps is exceeded or any of the Master Services Agreements is renewed or materially varied, the Company will comply with the reporting, announcement and independent shareholders' approval requirements pursuant to Rules 14A.45 to 14A.48 of the Listing Rules as appropriate.

9. INFORMATION REGARDING CTF ENTERPRISES, THE GROUP AND THE NWSH GROUP

CTF Enterprises

The principal activity of CTF Enterprises is investment holding.

The Group

The Group is principally engaged in property development, property investments, hotel and infrastructure investments, services, department store operation, telecommunications and technology business.

The NWSH Group

The principal activities of the NWSH Group include: (i) the investment in and/or operation of facilities, contracting, transport and financial services; and (ii) the development, investment, operation and/or management of power plants, water treatment and waste management plants, roads as well as container terminals.

10. DEFINITIONS

Unless the context otherwise requires, the following expressions have the meanings set out below in this announcement:

“associates”	has the meaning ascribed to it in the Listing Rules
“Board”	the board of directors of the Company
“Company”	New World Development Company Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Continuing Connected Transactions”	the transactions contemplated under the CTF Master Operational Services Agreement and the CTF Master Financial Services Agreement, excluding the transactions between the NWSH Group and the Group, and the Mr. Lo Master Services Agreement

“Contracting Services”	construction, engineering and related services provided by members of the NWSH Group to members of the CTF Enterprises Group as described in Section 2 of this announcement
“CTF Enterprises”	Chow Tai Fook Enterprises Limited, a company incorporated in Hong Kong with limited liability which holds approximately 37.02% of the total issued share capital of the Company and approximately 2.95% of the total issued share capital of NWSH
“CTF Enterprises Group”	CTF Enterprises and its subsidiaries and any other company in the equity capital of which CTF Enterprises and/or any of its subsidiaries taken together are directly or indirectly interested so as to exercise or control the exercise of 30% or more of the voting power at general meetings, and for the purposes of this announcement, excludes the NWSH Group as well as NWS Transport Services Limited and its subsidiaries
“CTF Master Financial Services Agreement”	the master financial services agreement in relation to the Financial Services entered into between NWSH and CTF Enterprises on 24 January 2008
“CTF Master Operational Services Agreement”	the master operational services agreement in relation to the Operational Services entered into between NWSH and CTF Enterprises on 24 January 2008
“Financial Agreements”	the individual agreements in respect of the provision of any of the Financial Services which may from time to time be entered into between a member of the NWSH Group and a member of the CTF Enterprises Group or any of the Service Receiving Parties pursuant to the CTF Master Financial Services Agreement or the Mr. Lo Master Services Agreement and “Financial Agreement” means any of them
“Financial Services”	financial advisory, insurance brokerage and related services provided by members of the NWSH Group to members of the CTF Enterprises Group or the Service Receiving Parties (as applicable) as described in Section 3 and Section 4 of this announcement

“General Services”	cleaning, landscaping, facility management, information technology and telecommunications, property management, security and related services provided by members of the NWSH Group or the CTF Enterprises Group to members of the CTF Enterprises Group or the NWSH Group as described in Section 2 of this announcement
“Group”	the Company and its subsidiaries and for the purpose of this announcement, excludes the NWSH Group
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	the Macau Special Administrative Region of the PRC
“Master Services Agreements”	the CTF Master Operational Services Agreement, the CTF Master Financial Services Agreement and the Mr. Lo Master Services Agreement
“Mr. Lo”	Mr. Lo Lin Shing, Simon, the deputy chairman and an executive director of TFSG
“Mr. Lo Master Services Agreement”	the master services agreement entered into between NWSH and Mr. Lo on 24 January 2008
“NWSH”	NWS Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange, and a subsidiary of the Company
“NWSH Group”	NWSH and its subsidiaries
“Operational Agreements”	the individual agreements in respect of the provision of any of the Operational Services which may from time to time be entered into between a member of the CTF Enterprises Group and a member of the NWSH Group pursuant to the CTF Master Operational Services Agreement, and “Operational Agreement” means any of them

“Operational Services”	Contracting Services, General Services, Rental Services and such other types of services as NWSH and CTF Enterprises may agree upon from time to time in writing
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, Macau and Taiwan
“Rental Services”	the rental of properties, spare spaces, vehicles and vessels provided by members of the NWSH Group or the CTF Enterprises Group to members of the CTF Enterprises Group or the NWSH Group as described in Section 2 of this announcement
“Service Receiving Parties”	Mr. Lo and his associates, including but without limitation, New World Mobile Holdings Limited, who may receive the services provided by members of the NWSH Group pursuant to the Mr. Lo Master Services Agreement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“TFSG”	Taifook Securities Group Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange, and a subsidiary of NWSH
“TFSG Group”	TFSG and its subsidiaries

By Order of the Board
Leung Chi Kin, Stewart
Company Secretary

Hong Kong, 24 January 2008

As at the date of this announcement, (a) the executive directors of the Company 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 the Company are Lord Sandberg, Michael, Mr. Cheng Yue-pui, Mr. Cheng Kar-shing, Peter, Mr. Chow Kwai-cheung and Mr. Liang Cheung-biu, Thomas, and (c) the independent non-executive directors of the Company are Mr. Yeung Ping-leung, Howard, Dr. Cha Mou-sing, Payson (alternative director to Dr. Cha Mou-sing, Payson: Mr. Cha Mou-zing, Victor), Mr. Ho Hau-hay, Hamilton and Mr. Lee Luen-wai, John.