



新創建集團有限公司*
NWS Holdings Limited
(incorporated in Bermuda with limited liability)
(stock code: 0659)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting of the Company will be held at Meeting Room 601, Hong Kong Convention and Exhibition Centre, 1 Harbour Road, Wanchai, Hong Kong on Tuesday, 21 November 2006 at 11:15 a.m. for the following purposes:

1. To receive and consider the audited financial statements and the Reports of the Directors and Auditors for the year ended 30 June 2006.
2. To declare a final dividend.
3. To re-elect Directors and to authorise the Board of Directors to fix the Directors' remuneration.
4. To re-appoint Auditors and to authorise the Board of Directors to fix their remuneration.
5. As special business, to consider and if thought fit, pass with or without amendment, the following resolutions as ordinary resolutions and special resolution, respectively:

ORDINARY RESOLUTIONS

I. "THAT:

- (A) subject to paragraph (C) of this resolution, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company or securities convertible into such shares or options, warrants, or similar rights to subscribe for any shares or convertible securities and to make or grant offers, agreements and options which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (B) the approval in paragraph (A) of this resolution shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (C) the aggregate nominal value of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors of the Company pursuant to the approval granted in paragraph (A) of this resolution, otherwise than pursuant to (i) a Right Issue (as hereinafter defined); (ii) the exercise of any conversion rights attaching to any securities which are convertible into shares of the Company; (iii) the exercise of the rights under any option scheme or similar arrangement for the time being adopted for the grant or issue to Directors and/or employees of the Company and/or any of its subsidiaries of options to subscribe for, or rights to acquire, shares of the Company, or (iv) any issue of shares as scrip dividends or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the bye-laws of the Company; shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution and the approval granted in paragraph (A) shall be limited accordingly; and
- (D) for the purpose of this resolution:
"Relevant Period" means the period from the passing of this resolution until whichever is the earlier of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws to be held; and
 - (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Right Issue” means an offer of shares open for a period fixed by the Directors of the Company to holders of shares on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange, in any territory outside Hong Kong).”

II. “**THAT**:

- (A) subject to paragraph (B) of this resolution, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase its own shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or that of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (B) the aggregate nominal amount of shares which may be repurchased by the Company pursuant to the approval in paragraph (A) of this resolution shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution and the authority granted pursuant to paragraph (A) of this resolution shall be limited accordingly; and
- (C) for the purpose of this resolution:
“Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws to be held; and
 - (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

III. “**THAT** conditional upon the Ordinary Resolutions No. I and II being passed, the general mandate granted to the Directors of the Company pursuant to Ordinary Resolution No. I be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted by the Directors of the Company pursuant to such general mandate, an amount representing the aggregate nominal amount of the shares repurchased by the Company under the authority granted pursuant to Ordinary Resolution No. II provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution.”

IV. “**THAT** subject to the approval by the shareholders of New World Development Company Limited, the holding company of the Company, at its annual general meeting to be held on 24 November 2006, the share option scheme of the Company (the “Share Option Scheme”) shall be amended as follows:

- (A) Rule 8.1 of the Share Option Scheme be deleted in its entirety and the following new rule 8.1 be substituted thereof:
‘8.1 Subject to the following paragraphs of these Rules, an Option may be exercised by an Option Holder in accordance with the terms of the grant and the Scheme at such time and for such portion of the Shares granted under the relevant Option as the Directors shall in their absolute discretion see fit during the Option Period commencing on the date on which an Option is granted by resolution of the Directors and notwithstanding that the Scheme Period may have expired. However, in any event the Options must be exercised within the Option Period. Unless otherwise determined by the Directors and stated in the terms of the grant in respect of the Options, there is no minimum period for which an Option must be held before it can be exercised.’
- (B) Rule 8.2 of the Share Option Scheme be deleted in its entirety and the following new rule 8.2 be substituted thereof:
‘8.2 If an Option Holder, being an Eligible Employee, ceases to be an Eligible Employee under any of the following circumstances:
 - (i) *On ill-health, disability, death or retirement of an Eligible Employee*
in the event that the employment of an Eligible Employee is terminated by reason of ill-health, disability (all evidenced to the satisfaction of the Directors) or death or retirement in accordance with the retirement provisions of his contract of employment, he or (as the case may be) his personal representative(s) may exercise all his Options within a period being the earlier of 6 months after the termination of employment or the expiration of the relevant Option Period. Any Option not so exercised shall lapse and determine at the end of the said period;
 - (ii) *On voluntary termination by an Eligible Employee*
in the event that the employment of an Eligible Employee is terminated by him voluntarily for reasons other than ill-health, disability, death or retirement in accordance with the retirement provisions of his contract of employment, all his Options shall lapse and determine upon the termination of employment;

(iii) *On cessation of an Eligible Employee's employing company being a member of the Group or an Invested Entity*

in the event that the Eligible Employee's employing company ceases to be a member of the Group or an Invested Entity, (a) Options granted to such Eligible Employee, to the extent vested at the time of his employing company ceases to be a member of the Group or an Invested Entity, shall be exercisable within a period being the earlier of 6 months after his employing company ceases to be a member of the Group or an Invested Entity or the expiration of the relevant Option Period; and (b) Options granted to such Eligible Employee, to the extent not vested at the time of his employing company ceases to be a member of the Group or an Invested Entity, shall expire upon his employing company ceases to be a member of the Group or an Invested Entity;

(iv) *Termination for cause*

in the event that the employment of an Eligible Employee is terminated by reason of the Eligible Employee's misconduct justifying summary dismissal (i.e. termination without notice or payment in lieu of notice), all outstanding Options granted to such Eligible Employee shall expire upon the termination of employment;

(v) *Termination other than for cause*

in the event that the Eligible Employee ceases to be an Eligible Employee or whose employment is terminated, for any reason other than for the circumstances provided in Rules 8.2(i) to (iv) above, (a) Options granted to such Eligible Employee, to the extent vested at the time of termination of employment, shall be exercisable within a period being the earlier of 6 months after the termination of employment or the expiration of the relevant Option Period; and (b) Options granted to such Eligible Employee, to the extent not vested at the time of termination of employment, shall expire upon the termination of employment,

provided that in any of the above cases, the Directors may in their absolute discretion otherwise determine and/or subject to such conditions or limitations as the Directors may reasonably consider appropriate.'

(C) Rule 12.1 of the Share Option Scheme be deleted in its entirety and the following new rule 12.1 be substituted thereof:

'12.1 In the event of any alteration in the capital structure of the Company whilst any Option remains exercisable, whether by way of capitalisation of profits or reserves, rights issue, consolidation, sub-division or reduction of the share capital of the Company (other than an issue of Shares as consideration in respect of a transaction to which the Company is a party), such appropriate adjustments (if any) shall be made in:

- (i) the Exercise Price; and/or
- (ii) the number of Option so far as unexercised,

in such manner as the Directors (having received a confirmation in writing from the Auditors or an independent financial adviser to the Company (as the case may be), acting as experts and not as arbitrators, that in their opinion the adjustments proposed are fair and reasonable and satisfy the requirements set out in rule 17.03(13) of the Listing Rules and the note thereto and the supplementary guidance attached to the letter from the Stock Exchange dated 5 September 2005 to all issuers relating to share option schemes (the "Supplementary Guidance"), except in the case of a capitalisation issue where no such confirmation from the Auditors or an independent financial adviser to the Company (as the case may be) shall be required unless otherwise expressly required by the Directors) may deem appropriate provided always that:

- (a) no increase shall be made in the aggregate subscription price relating to any Option;
- (b) the proportion of the issued share capital of the Company to which an Option Holder is entitled after any adjustment shall remain materially the same as that to which he was previously entitled prior to such adjustment;
- (c) no adjustments shall be made which will enable a Share to be issued at less than its nominal value;
- (d) any adjustment so made shall be in compliance with the Listing Rules and such applicable guidance and/or interpretation of the Listing Rules from time to time issued by the Stock Exchange (including, without limitation, the Supplementary Guidance); and
- (e) no adjustments shall be made in the event of an issue of Shares as consideration in respect of a transaction to which the Company is a party.'

- (D) Rule 12.2 of the Share Option Scheme be deleted in its entirety and the following new rule 12.2 be substituted thereof:

‘12.2 Notice of any such adjustment shall be given to the Option Holders by the Company, which may, but need not, call in Option certificates for endorsement or replacement. The costs of the Auditors or the independent financial adviser to the Company (as the case may be) shall be borne by the Company.’”

By Order of the Board
Chow Tak Wing
Company Secretary

Hong Kong, 27 October 2006

Notes:

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. In order to be valid, the instrument appointing a proxy, together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof, must be deposited at the Company's branch registrars in Hong Kong, Standard Registrars Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the appointed time for holding of the meeting or at any adjournment thereof.
3. The register of members of the Company will be closed from Thursday, 16 November 2006 to Tuesday, 21 November 2006, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for the final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch registrars in Hong Kong, Standard Registrars Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:00 p.m. on Wednesday, 15 November 2006.

As at the date of this announcement: (a) the executive directors of the Company 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.

* For identification purposes only

Please also refer to the published version of this announcement in The Standard.