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**新創建 NWS**

**新創建集團有限公司\***  
**NWS HOLDINGS LIMITED**

*(incorporated in Bermuda with limited liability)*

**(stock code: 659)**

**CONNECTED TRANSACTION  
AGREEMENT TO PROVIDE FINANCIAL ASSISTANCE  
TO HUBEI SUIYUENAN**

The Company would like to announce that, on 7 March 2018, pursuant to the request of Hubei Suiyuenan, Xin Chuan, an indirect wholly-owned subsidiary of the Company, has agreed to provide a pledge over its 30% equity interest in Hubei Suiyuenan as security for the Loan made to Hubei Suiyuenan in the event that ICBC, Guangzhou Branch confirms that the Equity Pledge is required so as not to affect the continuation of the Loan. Hubei Suiyuenan is a project company which owns and operates the Suiyuenan Expressway. As at the date of this announcement, Hubei Suiyuenan is owned by Yuexiu China Transport and Xin Chuan as to 70% and 30%, respectively.

As at the date of this announcement, Yuexiu Transport, through its wholly-owned subsidiary, is a substantial shareholder of Guangzhou Northring, an indirect non-wholly owned subsidiary of the Company owned as to 65.29% (indirectly) by the Company and 24.30% (indirectly) by Yuexiu Transport. Therefore, Yuexiu Transport is a connected person of the Company at the subsidiary level pursuant to Rule 14A.07(1) of the Listing Rules. As Yuexiu Transport, through its wholly-owned subsidiary Yuexiu China Transport, indirectly owns 70% equity interest in Hubei Suiyuenan, Hubei Suiyuenan is an associate of Yuexiu Transport and therefore a connected person of the Company pursuant to Rule 14A.13 of the Listing Rules. Accordingly, Xin Chuan's agreement to provide the Equity Pledge for the benefit of Hubei Suiyuenan represents a commitment of Xin Chuan to provide financial assistance to a connected person and is therefore a connected transaction of the Company pursuant to Rule 14A.24(4) of the Listing Rules.

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) with respect to Xin Chuan's agreement to provide the Equity Pledge are more than 1% but less than 5%, such agreement is subject to the reporting and announcement requirements but exempt from the independent shareholders' approval requirement for the Company under Chapter 14A of the Listing Rules.

## INTRODUCTION

The Company would like to announce that, on 7 March 2018, pursuant to the request of Hubei Suiyuenan, Xin Chuan, an indirect wholly-owned subsidiary of the Company, has agreed to provide a pledge over its 30% equity interest in Hubei Suiyuenan as security for the Loan made to Hubei Suiyuenan in the event that ICBC, Guangzhou Branch confirms that the Equity Pledge is required so as not to affect the continuation of the Loan. Hubei Suiyuenan is a project company which owns and operates the Suiyuenan Expressway. As at the date of this announcement, Hubei Suiyuenan is owned by Yuexiu China Transport and Xin Chuan as to 70% and 30%, respectively.

Pursuant to a share transfer agreement dated 18 October 2017 entered into between Xin Chuan (as purchaser) and an independent third party (as vendor), Xin Chuan has agreed to purchase a 30% equity interest in Hubei Suiyuenan from the vendor and Xin Chuan became a shareholder of Hubei Suiyuenan in January 2018 upon the completion of the said acquisition.

On 12 September 2016, Hubei Suiyuenan (as borrower) and ICBC, Guangzhou Branch (as lender) entered into the Loan Agreement, pursuant to which ICBC, Guangzhou Branch agreed to provide Hubei Suiyuenan with the Loan in the principal amount of RMB2.100 billion (equivalent to approximately HK\$2.593 billion) repayable over a term of 15 years from the date of the Loan Agreement.

Pursuant to the terms of the Loan Agreement, Hubei Suiyuenan is required to, among other things, carry out the registration of the pledge over the equity interests of Hubei Suiyuenan in favour of ICBC, Guangzhou Branch as security for the Loan. Further, each of the shareholders of Hubei Suiyuenan is required to pledge their respective equity interests in Hubei Suiyuenan to ICBC, Guangzhou Branch pursuant to the terms of the Loan Agreement. As such, Hubei Suiyuenan has requested Xin Chuan and Yuexiu China Transport to confirm their respective agreement to provide such equity pledge pursuant to the requirements under the Loan Agreement. On 7 March 2018, Xin Chuan has confirmed its agreement to provide the Equity Pledge, in the event that ICBC, Guangzhou Branch confirms that the Equity Pledge is required.

In view of the change in shareholder, Hubei Suiyuenan has initiated discussion with ICBC, Guangzhou Branch to confirm whether such equity pledges are indeed required from its current shareholders as a security of the Loan and the timing of providing such equity pledges (if required).

## **REASON FOR AGREEING TO PROVIDE THE EQUITY PLEDGE**

As the requirement to provide the pledge over equity interests in Hubei Suiyuanan is an existing term of the Loan Agreement, the Directors consider that it is essential for Xin Chuan to agree to provide the Equity Pledge after it became a shareholder of Hubei Suiyuanan to ensure that, in the event that ICBC, Guangzhou Branch requires such security, the continuation of the Loan will not be affected in order to support the business and operations of Hubei Suiyuanan. As an indirect shareholder of Hubei Suiyuanan, the Company will benefit from the financial performance of Hubei Suiyuanan as the Group accounts for its interest in Hubei Suiyuanan as an associated company.

The Directors (including the independent non-executive Directors) are of the view that the agreement to provide the Equity Pledge and the requisite terms of the Equity Pledge (if it is required) are on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole.

## **GENERAL INFORMATION**

The Group is principally engaged in (i) the development, investment, operation and/or management of roads, environmental projects, commercial aircraft leasing as well as ports and logistics facilities; and (ii) the investment in and/or operation of facilities, construction, transport and strategic investments.

Xin Chuan is a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company. Xin Chuan is principally engaged in the investment in infrastructure business of toll roads and power plant.

ICBC, Guangzhou Branch is a branch of a licensed commercial bank in the PRC. To the best of the knowledge, information and belief of the Directors after having made all reasonable enquiries, ICBC, Guangzhou Branch and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

Hubei Suiyuanan is a company established in the PRC with limited liability held by Yuexiu China Transport (a wholly-owned subsidiary of Yuexiu Transport) and Xin Chuan as to 70% and 30%, respectively. It owns and operates the Suiyuanan Expressway.

Yuexiu Transport is a company incorporated in Bermuda whose shares are listed on the Main Board of the Stock Exchange. Its group of companies are principally engaged in investment, operation and management of toll expressways and bridges in Guangdong Province and other high-growth provinces in the PRC.

## **LISTING RULES IMPLICATIONS**

As at the date of this announcement, Yuexiu Transport, through its wholly-owned subsidiary, is a substantial shareholder of Guangzhou Northring, an indirect non-wholly owned subsidiary of the Company owned as to 65.29% (indirectly) by the Company and 24.30% (indirectly) by Yuexiu Transport. Therefore, Yuexiu Transport is a connected person of the Company at the subsidiary level pursuant to Rule 14A.07(1) of the Listing Rules. As Yuexiu Transport, through its wholly-owned subsidiary Yuexiu China Transport, indirectly owns 70% equity interest in Hubei Suiyuanan, Hubei Suiyuanan is an associate of Yuexiu Transport and therefore a connected person of the Company pursuant to Rule 14A.13 of the Listing Rules. Accordingly, Xin Chuan's agreement to provide the Equity Pledge for the benefit of Hubei Suiyuanan represents a commitment of Xin Chuan to provide financial assistance to a connected person and is therefore a connected transaction of the Company pursuant to Rule 14A.24(4) of the Listing Rules.

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) with respect to Xin Chuan's agreement to provide the Equity Pledge are more than 1% but less than 5%, such agreement is subject to the reporting and announcement requirements but exempt from the independent shareholders' approval requirement for the Company under Chapter 14A of the Listing Rules.

As none of the Directors are regarded as having a material interest in the agreement to provide the Equity Pledge and the transaction contemplated thereunder, none of the Directors are required under the Listing Rules to abstain from voting on the relevant Board resolutions.

## **DEFINITIONS**

The following terms have the following meanings in this announcement, unless the context otherwise requires:

“Board”	the board of Directors
“Company”	NWS Holdings Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 659)
“connected person”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Equity Pledge”	the potential pledge agreed to be provided by Xin Chuan over its 30% equity interest in Hubei Suiyuanan in favour of ICBC, Guangzhou Branch as security for the Loan granted by ICBC, Guangzhou Branch to Hubei Suiyuanan under the Loan Agreement
“Group”	the Company and its subsidiaries from time to time

“Guangzhou Northring”	Guangzhou Northring Freeway Company Limited* (廣州北環高速公路有限公司), a non-wholly owned subsidiary of the Company indirectly held as to 65.29% by the Company through its wholly-owned subsidiary True Hope Investment Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hubei Suiyuenan”	Hubei Suiyuenan Expressway Co., Limited* (湖北隨岳南高速公路有限公司), a company established in the PRC with limited liability held by Yuexiu China Transport and Xin Chuan as to 70% and 30%, respectively
“ICBC, Guangzhou Branch”	Industrial and Commercial Bank of China Limited, Guangzhou Nanfang Sub-Branch (中國工商銀行股份有限公司廣州南方支行)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	a fixed assets loan facility granted by ICBC, Guangzhou Branch to Hubei Suiyuenan in the principal amount of RMB2.100 billion (equivalent to approximately HK\$2.593 billion) pursuant to the terms of the Loan Agreement
“Loan Agreement”	the loan agreement dated 12 September 2016 entered into between Hubei Suiyuenan (as borrower) and ICBC, Guangzhou Branch (as lender) in relation to the granting of the Loan to Hubei Suiyuenan
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Suiyuenan Expressway”	Suiyuenan Expressway* (隨岳南高速公路), the southern section of Suiyue Expressway* (隨岳高速公路) (from Suizhou to Yueyang) located in Hubei Province owned and operated by Hubei Suiyuenan
“Xin Chuan”	Guangdong Xin Chuan Co., Ltd.* (廣東新川有限公司), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Yuexiu China Transport”	Yuexiu (China) Transport Infrastructure Investment Company Limited* (越秀(中國)交通基建投資有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of Yuexiu Transport

“Yuexiu Transport” Yuexiu Transport Infrastructure Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 1052)

“0%” per cent.

*Unless otherwise specified in this announcement and for the purpose of illustration only, RMB is translated into HK\$ at the rate of HK\$1.00 = RMB0.81.*

By Order of the Board  
**Dr. Cheng Kar Shun, Henry**  
*Chairman*

Hong Kong, 7 March 2018

*As at the date of this announcement, (a) the executive Directors are Dr. Cheng Kar Shun, Henry, Mr. Tsang Yam Pui, Mr. Cheung Chin Cheung, Mr. Cheng Chi Ming, Brian and Mr. Mak Bing Leung, Rufin; (b) the non-executive Directors are Mr. To Hin Tsun, Gerald, Mr. Dominic Lai, Mr. Lam Wai Hon, Patrick and Mr. William Junior Guilherme Doo; and (c) the independent non-executive Directors are Mr. Kwong Che Keung, Gordon, Dr. Cheng Wai Chee, Christopher, The Honourable Shek Lai Him, Abraham, Mr. Lee Yiu Kwong, Alan and Mrs. Oei Fung Wai Chi, Grace.*

\* *For identification purposes only*