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(Incorporated in the Cayman Islands with limited liability)

(HKSE Stock Code: 95)

CONTINUING CONNECTED TRANSACTION TENANCY AGREEMENT AND LICENCE AGREEMENT

The Board announces that NH Management, a company indirectly wholly-owned by the Company, entered into the Tenancy Agreement and the Licence Agreement as tenant and licensee respectively with Fontwell, a company controlled by Mr. TAOCHAIFU Choofuang, Chairman of the Company and his family members in respect of an office property and two carparking spaces.

The execution of the Tenancy Agreement and the Licence Agreement constitutes a continuing connected transaction of the Company under Rule 14A.14 of the Listing Rules.

Pursuant to Rule 14A.34 of the Listing Rules, as the total annual rental and licence fee payable by the Group under the Tenancy Agreement and the Licence Agreement represents more than 0.1% but less than 2.5% of the applicable percentage ratios, the entering into the Tenancy Agreement and the Licence Agreement is only subject to the reporting, announcement and annual review requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules and is exempt from the independent shareholders' approval requirements under the Listing Rules.

TENANCY AGREEMENT DATED 2 DECEMBER 2009

Landlord:	Fontwell, a connected person of the Company under the Listing Rules
Tenant:	NH Management
Property:	Room 2301, 23rd Floor, Fortis Tower, Nos. 77-79 Gloucester Road and Nos. 117-119 Jaffe Road, Wanchai, Hong Kong
Term:	2 years from 1 February 2010 to 31 January 2012
Rental:	HK\$99,000 per month for the period from 1 February 2010 to 31 January 2012 and government rates and management fee, which at present is of approximately HK\$17,000 per month (subject to adjustment)
Deposit:	HK\$99,000

LICENCE AGREEMENT DATED 2 DECEMBER 2009

Licensor:	Fontwell, a connected person of the Company under the Listing Rules
Licensee:	NH Management
Property:	Carpark Nos. 28 and 51 on the 2nd Floor of Fortis Tower, Nos. 77-79 Gloucester Road and Nos. 117-119 Jaffe Road, Wanchai, Hong Kong

Term:	2 years from 1 February 2010 to 31 January 2012
Licence Fee:	HK\$7,000 per month for the period from 1 February 2010 to 31 January 2012 and government rates and management fee, which at present is of approximately HK\$880 per month (subject to adjustment)
Deposit:	HK\$7,000

MAXIMUM AGGREGATE ANNUAL VALUE

Based on the monthly rental and licence fee under the existing tenancy agreement (which is supplemented by a supplemental agreement dated 27 February 2009) and the licence agreement, the Tenancy Agreement and the Licence Agreement, the estimated maximum aggregate annual value payable by NH Management will not exceed HK\$1,441,000, HK\$1,500,000 and HK\$126,000 for the financial years ending 31 December 2010, 31 December 2011 and 31 December 2012 respectively.

REASONS FOR THE TRANSACTION

The Group is currently occupying and using the Property and the Carparks and the existing tenancy and licence of which will expire on 31 January 2010. The purpose of entering into the Tenancy Agreement and the Licence Agreement is to enable the Group to continue to obtain the lease of the Property for office use by the Company and certain of its subsidiaries and the Carparks for use by certain Directors.

The current monthly rental and licence fee paid by the Group under the existing tenancy agreement (which is supplemented by a supplemental agreement dated 27 February 2009) and the licence agreement are HK\$52,500 and HK\$7,000 respectively. Prior to entering into the supplemental agreement mentioned above, the monthly rental paid by the Group was HK\$100,000 for the period from 1 February 2008 to 31 January 2009 and HK\$105,000 for the month of February 2009. In view of the outburst of financial turmoil in the last quarter of 2008, Fontwell by the aforesaid supplemental agreement agreed to reduce the monthly rental of the Property by 50% from HK\$105,000 to HK\$52,500 for the period from 1 March 2009 to 31 January 2010.

The terms of the Tenancy Agreement and the Licence Agreement were reached on an arm's length basis with reference to the prevailing market rents for the properties quoted by DTZ Debenham Tie Leung Limited, an independent property valuer, on 20 November 2009. The Board, including the independent non-executive Directors, consider that the Tenancy Agreement and the Licence Agreement are entered into in the ordinary and usual course of business of the Company, on normal commercial term which are fair and reasonable and in the interest of the Company and its shareholders as a whole.

CONTINUING CONNECTED TRANSACTIONS

As Fontwell is indirectly owned by Mr. TAOCHAIFU Choofuang, Chairman of the Company, and his family members, the transactions contemplated under the Tenancy Agreement and the Licence Agreement will constitute continuing connected transactions of the Company under the Listing Rules.

Pursuant to Rule 14A.34 of the Listing Rules, as the total annual rental and licence fee payable by the Group under the Tenancy Agreement and the Licence Agreement represents more than 0.1% but less than 2.5% of the applicable percentage ratios, the entering into the Tenancy Agreement and the Licence Agreement is only subject to the reporting, announcement and annual review requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules and is exempt from the independent shareholders' approval requirements under the Listing Rules.

Save as disclosed, the Company confirmed that there is no other continuing connected transaction with Mr. TAOCHAIFU Choofuang and his associate that was entered into within 12 months and subsisting now that should be aggregated with the Tenancy Agreement and the Licence Agreement.

INFORMATION ON THE PARTIES

The Group is principally engaged in the property development and property investment business in Suzhou, the PRC and through investment in an associated company, in property investment business in Beijing, the PRC. NH Management is a company incorporated in Hong Kong and is indirectly wholly owned by the Company. The principal business of NH Management is the provision of administrative service to the Group. Fontwell is a company incorporated in Hong Kong and is indirectly owned by Mr. TAOCHAIFU Choofuang, Chairman of the Company and his family members. The principal business of Fontwell is property investment in Hong Kong.

DEFINITIONS

“Board”	the board of Directors of the Company
“Carparks”	Carpark Nos. 28 and 51 on the 2nd Floor of Fortis Tower, Nos. 77-79 Gloucester Road and Nos. 117-119 Jaffe Road, Wanchai, Hong Kong
“Company”	New Heritage Holdings Ltd., a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the main board of the Stock Exchange
“Directors”	the directors of the Company
“Fontwell”	Fontwell Holdings Limited, a company incorporated in Hong Kong and is indirectly owned by Mr. TAOCHAIFU Choofuang and his family members
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Licence Agreement”	the agreement dated 2 December 2009 entered into between Fontwell as licensor and NH Management as licensee for lease of the carparking space nos. 28 and 51 on the 2nd Floor of Fortis Tower, Nos. 77-79 Gloucester Road and Nos. 117-119 Jaffe Road, Wanchai, Hong Kong
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“NH Management”	New Heritage Management Limited, a company incorporated in Hong Kong with limited liability and is indirectly wholly owned by the Company
“PRC”	People’s Republic of China
“Property”	Room 2301, 23rd Floor, Fortis Tower, Nos. 77-79 Gloucester Road and Nos. 117-119 Jaffe Road, Wanchai, Hong Kong
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Tenancy Agreement” the agreement dated 2 December 2009 entered into between Fontwell as landlord and NH Management as tenant for lease of the office property at Room 2301, 23rd Floor, Fortis Tower, Nos. 77-79 Gloucester Road and Nos. 117-119 Jaffe Road, Wanchai, Hong Kong

By order of the Board
New Heritage Holdings Ltd.
TAO Richard
Vice Chairman

Hong Kong, 3 December 2009

As at the date of this announcement, the Board comprises Mr. TAOCHAIFU Choofuang (Chairman), Mr. TAO Richard (Vice Chairman), Mr. TAO Paul (Managing Director), Mr. KONG Mui Sum Lawrence and Mr. YIM Chun Leung as executive directors and Mr. CHAN Bernard Charnwut as non-executive director and Mr. WONG Gary Ka Wai, Mr. SUN Leland Li Hsun and Mr. CHAN Norman Enrique as independent non-executive directors.