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WHEELOCK AND COMPANY LIMITED
(Incorporated in Hong Kong with limited liability)
Stock Code: 20

WHEELOCK PROPERTIES LIMITED
(Incorporated in Hong Kong with limited liability)
Stock Code: 49

JOINT ANNOUNCEMENT

**(1) PROPOSED PRIVATISATION OF WHEELOCK PROPERTIES LIMITED BY
WHEELOCK AND COMPANY LIMITED
BY WAY OF A SCHEME OF ARRANGEMENT
(UNDER SECTION 166 OF THE COMPANIES ORDINANCE)**

**(2) POSSIBLE DISCLOSEABLE TRANSACTION OF
WHEELOCK AND COMPANY LIMITED**

AND

**(3) RESUMPTION OF TRADING IN SHARES OF
WHEELOCK PROPERTIES LIMITED**

Financial Advisor to Wheelock and Company Limited



THE PROPOSAL

The respective directors of Wheelock and WPL jointly announce that on 19 April 2010, Wheelock requested the board of directors of WPL to put forward the Proposal to the Scheme Shareholders regarding a proposed privatisation of WPL by way of a scheme of arrangement under section 166 of the Companies Ordinance.

Under the Proposal, all Scheme Shares held by the Scheme Shareholders on the Effective Date will be cancelled in exchange for the payment to each Scheme Shareholder of HK\$13.00 in cash per Scheme Share. The Cancellation Price represents:

- a premium of approximately 143.90% over the closing price of the Shares of HK\$5.33 as quoted by the Stock Exchange on Last Trading Date; and

- a discount of approximately 3.35% to the audited consolidated net asset value per Share of approximately HK\$13.45 as at 31 December 2009.

Shareholders should note that the Scheme Document will contain a property valuation report from an independent property valuer pursuant to Rule 11 of the Takeovers Code providing an updated valuation of WPL's properties as at a date not more than three months prior to the date of the Scheme Document.

Shareholders should also note that a significant portion of WPL's assets consisted of available-for-sale investments based on the audited accounts of WPL as at 31 December 2009. The value of these assets as stated in the audited accounts may or may not reflect the current market value of these assets.

Wheelock has advised that the Cancellation Price will not be revised in the course of the Scheme.

Assuming the Proposal is approved and implemented, WPL will become an indirect wholly-owned subsidiary of Wheelock.

As at the Announcement Date, the Scheme Shareholders were interested in 531,138,848 Shares, representing approximately 25.66% of the issued share capital of WPL. Shares held by Wheelock or any of its wholly-owned subsidiaries will not form part of the Scheme Shares. Only Independent Shareholders will be entitled to vote at the Court Meeting.

The aggregate amount of cash to be payable by Wheelock for the cancellation of the Scheme Shares is HK\$6,904,805,024, which will be financed by the Facility provided by HSBC to Wheelock. HSBC, the financial advisor to Wheelock in connection with the Proposal, is satisfied that sufficient financial resources are available to Wheelock to implement the Proposal in accordance with its terms.

The Proposal is conditional upon the fulfilment or waiver, as applicable, of the Conditions (see the paragraph headed "Conditions of the Proposal" below).

All Conditions will have to be fulfilled or waived, as applicable, on or before 31 October 2010 (or such later date as Wheelock and WPL may agree or as the High Court may allow), failing which the Scheme will lapse. If all the Conditions are fulfilled or waived, as applicable, it is currently expected that the Scheme will become effective in August 2010.

WITHDRAWAL OF LISTING OF THE SHARES

The Proposal will be implemented by way of the Scheme. Upon the Scheme becoming effective, all Scheme Shares will be cancelled. Share certificates for the Scheme Shares held by the Scheme Shareholders will thereafter cease to have effect as evidence of title. WPL will apply to the Stock Exchange for the withdrawal of the listing of the Shares on the Stock Exchange immediately following the Effective Date pursuant to Rule 6.15 of the Listing Rules. The Scheme Shareholders will be notified of the last trading day for dealing in Shares and the dates on which the Scheme and the withdrawal of the listing of the Shares on the Stock Exchange will become effective. A detailed timetable of the Proposal will be included in the Scheme Document to be despatched to the Shareholders, which will also contain further details of the Proposal. The listing of the Shares will not be withdrawn if the Proposal does not become

unconditional or lapses.

DESPATCH OF SCHEME DOCUMENT

WPL will send as soon as possible to its Shareholders a Scheme Document containing, among other things, further details of the Proposal and the Scheme, the expected timetable, the recommendation of the independent board committee of WPL (comprising Mr. Herald L. F. Lau, Mr. Roger K. H. Luk and Mr. Glenn S. Yee) in respect of the Proposal and the letter of advice of the independent financial advisor (to be appointed) to the independent board committee of WPL, further financial information of WPL and notices of the Court Meeting and the EGM.

POSSIBLE DISCLOSEABLE TRANSACTION

As one or more of the applicable percentage ratios in respect of the Proposal will exceed 5% but all of those applicable percentage ratios will be less than 25% in respect of Wheelock, the implementation of the Proposal will constitute a discloseable transaction for Wheelock under the Listing Rules.

SUSPENSION AND RESUMPTION OF TRADING OF SHARES

At the request of WPL, trading of the Shares on the Stock Exchange was suspended from 9:30 a.m. on 19 April 2010 pending the issue of this announcement. An application has been made by WPL to the Stock Exchange for the resumption of trading of the Shares on the Stock Exchange with effect from 9:30 a.m. on 28 April 2010.

Warnings:

The respective shareholders of WPL and Wheelock and potential investors should be aware that the implementation of the Proposal and the Scheme is subject to the Conditions being fulfilled or waived, as applicable, and therefore the Proposal may or may not be implemented and the Scheme may or may not become effective. The respective shareholders of WPL and Wheelock and potential investors are advised to exercise caution when dealing in the Shares and the securities of Wheelock, as appropriate. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

INTRODUCTION

The respective directors of Wheelock and WPL jointly announce that on 19 April 2010, Wheelock requested the board of directors of WPL to put forward the Proposal to the Scheme Shareholders regarding a proposed privatisation of WPL by way of a scheme of arrangement under section 166 of the Companies Ordinance.

TERMS OF THE PROPOSAL

Consideration and cancellation of Scheme Shares held by the Scheme Shareholders

Under the Proposal, all Scheme Shares held by the Scheme Shareholders on the Effective Date will be cancelled in exchange for the payment to each Scheme Shareholder of HK\$13.00 in cash per Scheme Share. **Wheelock has advised that the Cancellation Price will not be revised in the course of the Scheme.**

Assuming the Proposal is approved and implemented, WPL will become an indirect wholly-owned subsidiary of Wheelock.

Comparisons of value

The Cancellation Price represents:

- (i) a discount of approximately 3.35% to the audited consolidated net asset value per Share of approximately HK\$13.45 as at 31 December 2009 (*Notes*);

Notes:

- (a) *Shareholders should note that the Scheme Document will contain a property valuation report from an independent property valuer pursuant to Rule 11 of the Takeovers Code providing an updated valuation of WPL's properties as at a date not more than three months prior to the date of the Scheme Document.*
 - (b) *Shareholders should also note that a significant portion of WPL's assets consisted of available-for-sale investments based on the audited accounts of WPL as at 31 December 2009. The value of these assets as stated in the audited accounts may or may not reflect the current market value of these assets.*
- (ii) a premium of approximately 143.90% over the closing price of the Shares of HK\$5.33 as quoted by the Stock Exchange on the Last Trading Date;
 - (iii) a premium of approximately 144.36% over the average closing price of the Shares of approximately HK\$5.32 as quoted by the Stock Exchange for the five full trading days up to and including the Last Trading Date;
 - (iv) a premium of approximately 162.10% over the average closing price of the Shares of approximately HK\$4.96 as quoted by the Stock Exchange for the 30 full trading days up to and including the Last Trading Date;
 - (v) a premium of approximately 162.10% over the average closing price of the Shares of approximately HK\$4.96 as quoted by the Stock Exchange for the 90 full trading days up to and including the Last Trading Date; and
 - (vi) a premium of approximately 170.27% over the average closing price of the Shares of approximately HK\$4.81 as quoted by the Stock Exchange for one year period up to and including the Last Trading Date.

Highest and lowest prices

During the six-month period ended on and including the Last Trading Date, the highest closing price of the Shares was HK\$5.76 on 21 October 2009 and the lowest closing price of the Shares was HK\$4.48 on 5 March 2010.

Confirmation of financial resources

The aggregate amount of cash to be payable by Wheelock for the cancellation of all Scheme Shares is HK\$6,904,805,024 which will be financed by the Facility. While the directors of Wheelock consider that Wheelock will be able to repay amounts that may be drawn under the Facility from the internal resources of Wheelock and/or refinancing it, for flexibility in managing the financial position of Wheelock it should be noted it is intended that Wheelock may use dividends to be distributed by WPL through to Wheelock to repay (or prepay before its maturity) part of the amounts that may be outstanding under or payable pursuant to the Facility.

HSBC, the financial advisor to Wheelock in connection with the Proposal, is satisfied that sufficient financial resources are available to Wheelock to implement the Proposal in accordance with its terms.

CONDITIONS OF THE PROPOSAL

The Proposal will become effective and binding on WPL and all Scheme Shareholders subject to the fulfilment or waiver (as applicable) of the following Conditions:

- (i) the approval of the Scheme (by way of poll) by a majority in number of the Scheme Shareholders representing not less than three-fourths in value of the Scheme Shares held by the Scheme Shareholders present and voting either in person or by proxy at the Court Meeting, provided that:
 - (a) the Scheme is approved (by way of poll) by at least 75% of the votes attaching to the Scheme Shares held by the Independent Shareholders that are cast either in person or by proxy at the Court Meeting; and
 - (b) the number of votes cast (by way of poll) against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all the Scheme Shares held by the Independent Shareholders;
- (ii) the passing of a special resolution by a majority of at least three-fourths of the votes cast by the Shareholders present and voting, in person or by proxy, at the EGM to approve and give effect to the cancellation of the Scheme Shares, the reduction of the issued share capital of WPL and immediately thereafter the application of the reserve arising in the books of account of WPL as a result of the said reduction towards paying up in full new Shares which will then be allotted and issued to Wheelock (or any of its wholly-owned subsidiaries) so that the number of new Shares issued would be equal to the number of Scheme Shares cancelled;
- (iii) the sanction of the Scheme (with or without modifications) and the confirmation of the reduction of the issued share capital of WPL by the High Court under sections 166 and 60, respectively, of the Companies Ordinance;
- (iv) compliance with the procedural requirements of sections 166 and 61 of the Companies Ordinance in relation to the Scheme and the reduction in the issued share capital of WPL respectively;

- (v) all Authorisations in connection with the Proposal having been obtained or made from, with or by (as the case may be) the Relevant Authorities in Hong Kong and/or any other relevant jurisdictions;
- (vi) all Authorisations remaining in full force and effect without variation, and all necessary statutory or regulatory obligations in all relevant jurisdictions having been complied with and no requirement having been imposed by any Relevant Authorities which is not expressly provided for, or in addition to the requirements expressly provided for, in relevant laws, rules, regulations or codes in connection with the Proposal or any matters, documents (including circulars) or things relating thereto, in each aforesaid case up to and at the time when the Scheme becomes effective;
- (vii) there being no provision of any agreement, arrangement, licence, permit or other instrument to which any member of the WPL Group is a party or by or to which any such member or any of its assets may be bound, entitled or subject, which as a consequence of the Proposal or the Scheme would result in (in each case to an extent which is material in the context of the WPL Group as a whole and in the context of the Proposal):
 - (a) any monies borrowed by or any other indebtedness (actual or contingent) of any member of the WPL Group being or becoming repayable (or capable of being declared repayable) immediately or earlier than their or its stated maturity date or repayment date;
 - (b) any such agreement, arrangement, licence, permit or instrument (or the rights, liabilities, obligations or interests of any member of the WPL Group thereunder) being terminated or adversely modified (or any material obligation or liability arising or any material action being taken thereunder); or
 - (c) the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of any member of the WPL Group or any such security (whenever arising) becoming enforceable,

and no event having occurred which, under any provision of any agreement, arrangement, licence, permit or other instrument to which any member of the WPL Group is a party or by which any such member or all or any of its assets may be bound, entitled or subject, would result in any of the events or circumstances as are referred to in sub-paragraphs (a) to (c) of this paragraph (vii) (in each case to an extent which is material in the context of the WPL Group as a whole and in the context of the Proposal);

- (viii) all bank consents and other necessary consents which may be required under any existing contractual obligations of any member of the WPL Group being obtained and remaining in full force and effect without modification (in each case where the failure to obtain such consent is material in the context of the WPL Group as a whole and in the context of the Proposal);
- (ix) no government, governmental, quasi-governmental, statutory or regulatory body, court or agency in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry (or enacted, made or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order) that would make the

Proposal or the Scheme or its implementation in accordance with its terms void, unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations with respect to the Proposal or the Scheme or its implementation in accordance with its terms); and

- (x) since the Announcement Date:
 - (a) there having been no adverse change in the business, assets, financial or trading, positions, profits or prospects of any member of the WPL Group (to an extent which is material in the context of the WPL Group taken as a whole or in the context of the Proposal); and
 - (b) there not having been instituted or remaining outstanding any litigation, arbitration, proceedings, prosecution or other legal proceedings to which any member of the WPL Group is a party (whether as plaintiff, defendant or otherwise) and no such proceedings having been threatened in writing against any such member (and no investigation by any government or quasi-governmental, supranational, regulatory or investigative body or court against or in respect of any such member or the business carried on by any such member having been threatened in writing, announced, instituted or remaining outstanding by, against or in respect of any such member), in each case which is material and adverse in the context of the WPL Group taken as a whole or in the context of the Proposal.

Wheelock reserves the right to waive Conditions (vii) to (x), either in whole or in respect of any particular matter. In the event that Conditions (v) and (vi) are not fulfilled, Wheelock reserves the right to assess the materiality of such non-fulfilment and to waive the fulfilment of such conditions to the extent it considers appropriate. Conditions (i) to (iv) cannot be waived in any event.

All of the above Conditions will have to be fulfilled or waived, as applicable, on or before 31 October 2010 (or such later date as Wheelock and WPL may agree or as the High Court may allow), failing which the Scheme will lapse. If all the Conditions are fulfilled or waived, as applicable, it is currently expected that the Scheme will become effective in August 2010.

If approved, the Scheme will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting.

Warnings:

The respective shareholders of WPL and Wheelock and potential investors should be aware that the implementation of the Proposal and the Scheme is subject to the Conditions being fulfilled or waived, as applicable, and therefore the Proposal may or may not be implemented and the Scheme may or may not become effective. The respective shareholders of WPL and Wheelock and potential investors are advised to exercise caution when dealing in the Shares or the securities of Wheelock, as appropriate. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

WITHDRAWAL OF LISTING OF SHARES

The Proposal will be implemented by way of the Scheme. Upon the Scheme becoming effective, all Scheme Shares will be cancelled. Share certificates for the Scheme

Shares held by the Scheme Shareholders will thereafter cease to have effect as evidence of title. WPL will apply to the Stock Exchange for the withdrawal of the listing of the Shares on the Stock Exchange immediately following the Effective Date pursuant to Rule 6.15 of the Listing Rules. The Scheme Shareholders will be notified of the last trading day for dealing in Shares and the dates on which the Scheme and the withdrawal of the listing of the Shares on the Stock Exchange will become effective. A detailed timetable of the Proposal will be included in Scheme Document to be despatched to the Shareholders, which will also contain further details of the Proposal. The listing of the Shares will not be withdrawn if the Proposal does not become unconditional or lapses.

SHAREHOLDING STRUCTURE OF WPL

The table below sets out the shareholding structure of WPL as at the Announcement Date and immediately upon completion of the Proposal:-

Shareholders	As at the Announcement Date		Upon completion of the Proposal	
	Number of Shares	%	Number of Shares	%
<i>Non Scheme Shares</i>				
Myers Investments Limited <i>(Note)</i>	1,538,498,277	74.34	1,538,498,277	74.34
Wheelock <i>(Note)</i>	0	0.00	531,138,848	25.66
<i>Scheme Shares</i>				
Public shareholders	531,138,848	25.66	0	0.00
Total	2,069,637,125	100.00	2,069,637,125	100.00

Note:

Myers Investments Limited is a company incorporated in the British Virgin Islands and is indirectly wholly-owned by Wheelock. Upon the completion of the Scheme, Wheelock will apply the reserve arising in the books of account of WPL as a result of the reduction of capital towards paying up in full new Shares which will then be allotted and issued to Wheelock so that the total number of issued Shares would be restored to the same level as that held by the Shareholders (ie 2,069,637,125 Shares).

As at the Announcement Date, the Scheme Shareholders were interested in 531,138,848 Shares, representing approximately 25.66% of the issued share capital of WPL. Shares held by Wheelock or any of its wholly-owned subsidiaries will not form part of the Scheme Shares. Only Independent Shareholders will be entitled to vote at the Court Meeting.

Wheelock and any person acting in concert with it have not borrowed or lent any Shares save for any borrowed Shares which have been either on-lent or sold.

There has been no dealing in the Shares by Wheelock or the persons acting in concert with it in the six months ended on and including the Announcement Date.

HSBC is presumed to be acting in concert with Wheelock in accordance with class 5 of the definition of "Acting in concert" in the Takeovers Code. Details of holdings or borrowings or lendings of, and dealings in, Shares or derivatives in respect of them by other parts of the HSBC group will be obtained as soon as possible after this announcement has been made in accordance with Note 1 to Rule 3.5 of the Takeovers Code. The statements in this announcement as to holdings or borrowings or lendings of, or dealings in, Shares or derivatives by parties acting in concert with Wheelock are subject to the holdings, borrowings, lendings or dealings (if any) of the other parts of the HSBC group.

Following the Effective Date and the withdrawal of listing of the Shares on the Stock Exchange, WPL will become an indirect wholly-owned subsidiary of Wheelock.

As at the Announcement Date, the authorised share capital of WPL was HK\$600,000,000 divided into 3,000,000,000 Shares.

As at the Announcement Date, WPL has 2,069,637,125 Shares in issue, and has no outstanding warrants, options, convertible securities or other outstanding derivatives in respect of securities of WPL convertible into Shares, no share or loan capital of WPL has been put under option or agreed conditionally or unconditionally to be put under option and no other conversion right affecting the Shares have been issued or granted or agreed conditionally or unconditionally to be issued or granted.

As at the Announcement Date, there were no outstanding derivatives in respect of the Shares entered into by Wheelock or person acting in concert with it.

Save as disclosed in the shareholding table under the heading "Shareholding Structure of WPL", as at the Announcement Date, neither Wheelock nor any of the persons acting in concert with it owns or controls any Shares, is entitled to give directions in respect of any voting rights of and other rights over Shares, or holds any convertible securities, warrants or options (or other outstanding derivatives) in respect of Shares.

REASONS FOR AND BENEFITS OF THE PROPOSAL

For Scheme Shareholders

The Cancellation Price represents a discount of approximately 3.35% to the audited consolidated net asset value per Share of approximately HK\$13.45 as at 31 December 2009 and a premium of approximately 143.90% over the closing price of the Shares of HK\$5.33 as quoted by the Stock Exchange on Last Trading Date.

Shareholders should note that the Scheme Document will contain a property valuation report from an independent property valuer pursuant to Rule 11 of the Takeovers Code providing an updated valuation of WPL's properties as at a date not more than three months prior to the date of the Scheme Document.

Shareholders should also note that a significant portion of WPL's assets consisted of available-for-sale investments based on the audited accounts of WPL as at 31 December 2009. The value of these assets as stated in the audited accounts may or may not reflect the current market value of these assets.

During the 12-month period ended on and including the Announcement Date, the lowest and highest closing prices per Share on the Stock Exchange were HK\$3.01 and HK\$5.76 respectively, with a simple average closing price of HK\$4.81. Over the three-year period ended on the Announcement Date, the lowest and highest closing prices per Share on the Stock Exchange were HK\$1.90 and HK\$10.02 respectively, with a simple average closing price of HK\$5.89.

Over the three-year period ended on and including the Announcement Date, liquidity in the Shares was restricted to an average daily turnover on the Stock Exchange of HK\$1,321,518 or 233,022 Shares. Such average daily turnover in number of Shares represented only approximately 0.044% of the number of Scheme Shares.

The Cancellation Price represents a substantial premium of approximately 170.27% and 120.71% over the simple average closing prices referred to above.

The Shares have habitually been traded at a discount to their attributable net asset value. The closing price of the Shares on the Last Trading Date represented a discount of approximately 60.37% to the audited consolidated net asset value per Share (based on the audited accounts of WPL as at 31 December 2009 and 2,069,637,125 Shares in issue as at the Last Trading Date). By contrast, the Cancellation Price is a discount to such net asset value per Share of 3.35%.

Wheelock accordingly considers that the Proposal provides an opportunity for the holders of Scheme Shares to dispose of their Shares and receive cash at a price significantly above the prevailing market price. In light of the low liquidity of the Shares, Wheelock considers that the Proposal also affords the holders of Scheme shares with the opportunity to realise their investments in WPL as referred to above and, if they so wish, invest the monies received under the Scheme in alternative investments with higher liquidity than the Shares or use them for other purposes.

For WPL

WPL will require substantial funding for its future developments. Without being subject to the requirements relevant to being run as a standalone listed public company, WPL will be able to fund larger property development projects through leveraging Wheelock's greater financial strength, including the latter's access to more competitive financing terms for raising bank borrowings. Additionally, upon becoming an unlisted wholly-owned subsidiary of Wheelock, the provision of intra-group funding from Wheelock will be facilitated. Due to the low liquidity of WPL Shares and the significant discount to the net asset value per Share of its trading price on the Stock Exchange, the public equity capital market does not provide WPL a viable funding alternative.

For Wheelock and Wheelock's shareholders

The Proposal will simplify the structure of the Wheelock Group and will enable Wheelock to eliminate the listing of a subsidiary which has not raised any money from the public equity capital market for over 35 years. The principal activities of Wheelock include, and of WPL comprise of, property development and investment. The consolidation of such activities and the operations of Wheelock and WPL is expected to result in more efficient utilisation of resources between Wheelock and WPL and, therefore, the resultant consolidated business is expected to result in a more efficient and cost-effective group structure for Wheelock.

Wheelock considers that increasing its interest in the business of WPL is in the long term interests of Wheelock's shareholders.

FUTURE INTENTIONS OF WHEELOCK

Upon successful privatisation of WPL, it is the intention of Wheelock to maintain the existing business of WPL in the near future. Wheelock has no intention to make any major changes to the WPL Group's existing operation and management structure after implementation of the Proposal. However, it will continue to assess business opportunities as they arise.

INFORMATION ON WPL

WPL is a Hong Kong incorporated company with limited liability, the Shares of which have been listed in Hong Kong for more than 60 years. The WPL Group is principally engaged in ownership of properties for development and letting as well as investment holding.

A summary of the audited consolidated results of the WPL Group for each of the two years ended 31 December 2008 and 2009 is set out below:

	2009	2008
	HK\$million	HK\$ million
Turnover	1,201	6,269
Operating profit	691	1,767
Profit before taxation	1,689	1,033
Profit attributable to shareholders	1,458	816
Dividends	207	207
Earnings per Share (HK\$)	0.70	0.39

The audited consolidated net assets attributable to Shareholders as at 31 December 2008 and 31 December 2009 were approximately HK\$20,246 million or HK\$9.78 per Share, and HK\$27,842 million or HK\$13.45 per Share, respectively.

INFORMATION ON WHEELOCK

Wheelock is a company incorporated in Hong Kong with limited liability, whose shares are listed on the main board of the Stock Exchange under the stock code 20. The principal activities of the Wheelock Group are ownership of properties for development and letting, investment holding, container terminals as well as communications, media and entertainment. Wheelock is owned as to 1,095,300,362 shares, representing approximately 53.91%, by HSBC Trustee (Guernsey) Limited, of which Mr. Peter K. C. Woo is taken, under certain provisions in Part XV of the SFO which are applicable to a director or chief executive of a listed company, to be interested in 995,221,687 shares, representing approximately 48.98% of the issued share capital of Wheelock. In addition, Mr. Peter Woo is also interested or taken to be interested in 209,712,652 shares, representing approximately 10.32% in Wheelock, as reported by Mrs. Bessie P. Y. Woo under section 336 of the SFO.

MEETINGS

As at the Announcement Date, Wheelock, through its wholly-owned subsidiary Myers Investments Limited, owns in aggregate 1,538,498,277 Shares (representing approximately 74.34% shareholding interest of the issued share capital of WPL). Wheelock and persons acting in concert with it will not be permitted to vote at the Court Meeting. However, Wheelock has indicated that, if the Scheme is approved at the Court Meeting, it and its wholly-owned subsidiaries which are shareholders of WPL (as at the date of this announcement, all interests of Wheelock in the share capital of WPL are held through its wholly-owned subsidiary Myers Investments Limited) will vote in favour of the special resolution to be proposed at the EGM to approve and give effect to the cancellation of the Scheme Shares and apply the reserve arising in the books of account of WPL as a result of the reduction of capital towards paying up in full such number of new Shares which are then allotted and issued to Wheelock (or any of its wholly-owned subsidiaries) as is equal to the number of Scheme Shares cancelled.

No irrevocable commitment to vote for the Proposal at the Court Meeting or the EGM from any Scheme Shareholder has been given to Wheelock.

DESPATCH OF SCHEME DOCUMENT

The Scheme Document containing, among other things, further details of the Proposal and the Scheme, the expected timetable, an explanatory statement as required under the Companies Ordinance, information regarding Wheelock and WPL, the recommendation of the independent board committee of WPL with respect to the Proposal, a letter of advice from the independent financial advisor (to be appointed) to the independent board committee of WPL, a notice of the Court Meeting, a notice of the EGM as well as the particulars required by the Takeovers Code will be despatched to the Shareholders as soon as practicable.

OVERSEAS SHAREHOLDERS

The making of the Proposal to persons not resident in Hong Kong may be subject to the laws and regulations of the relevant jurisdictions. Such persons should inform themselves about and observe any applicable legal, tax and regulatory requirements. It is the responsibility of any overseas Scheme Shareholders wishing to accept the Proposal to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, and the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in such jurisdiction.

In the event that the receipt of the Scheme Document by overseas Shareholders is prohibited by any relevant law or regulation or may only be effected after compliance with conditions or requirements that the directors of Wheelock regard as unduly onerous or burdensome (or otherwise not in the best interests of Wheelock or the shareholders of Wheelock), the Scheme Document will not be despatched to such overseas Shareholders. For that purpose, Wheelock will apply for any waivers as may be required by the Executive pursuant to Note 3 to Rule 8 of the Takeovers Code at such time. Any such waiver will only be granted if the Executive is satisfied that it would be unduly burdensome to despatch the Scheme Document to such overseas Shareholders. In granting the waiver, the Executive will be concerned to see that all material information in the Scheme Document is made available to such Shareholders.

If any such waiver is granted by the Executive, Wheelock reserves the right to make arrangements in respect of Scheme Shareholders not resident in Hong Kong in relation to the terms of the Proposal. Such arrangements may include notifying any matter in connection with the Proposal to the Shareholders having a registered overseas address by announcement or by advertisement in a newspaper which may or may not be circulated in the jurisdiction within which such persons are resident. The notice will be deemed to have been sufficiently given, despite any failure by such Shareholders to receive or see that notice.

Scheme Shareholders are recommended to consult their own professional advisors if they are in any doubt as to the taxation implications of accepting the Proposal. It is emphasised that none of WPL, Wheelock and HSBC or any of their respective directors, officers or associates or any other person involved in the Proposal accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Proposal.

DISCLOSURE OF DEALINGS

Associates of WPL or Wheelock are reminded to disclose their dealings in any relevant securities of WPL.

Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 of the Takeovers Code and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant rules of the Takeovers Code. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7-day period is less than HK\$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.

GENERAL

Shareholders and potential investors should be aware that the Proposal is subject to the Conditions being fulfilled or waived, as applicable, and therefore may or may not become effective. Shareholders and potential investors are advised to exercise caution when dealing in the Shares. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

The directors (other than the independent non-executive directors) of WPL have reviewed the Proposal and have favourably determined to put forward the Proposal to the Scheme Shareholders. An independent board committee of WPL (comprising Mr. Herald L. F. Lau, Mr. Roger K. H. Luk and Mr. Glenn S. Yee, being independent non-executive directors of WPL) has been established to advise the Independent Shareholders in connection with the Proposal.

The independent board committee of WPL will in due course appoint an independent financial advisor to advise the independent board committee of WPL and the Independent Shareholders in connection with the Proposal. A separate announcement will be made regarding the appointment of the independent financial advisor to the independent board committee of WPL.

There are no agreements or arrangements to which Wheelock is a party which relate to the circumstances in which it may or may not invoke or seek to invoke a Condition.

There are no arrangements (whether by way of option, indemnity or otherwise) in relation to Shares or shares of Wheelock which might be material to the Proposal or the Scheme.

POSSIBLE DISCLOSEABLE TRANSACTION

As one or more of the applicable percentage ratios in respect of the Proposal will exceed 5% but all of those applicable percentage ratios will be less than 25% in respect of Wheelock, implementation of the Proposal will constitute a discloseable transaction for Wheelock under the Listing Rules. To the best of the knowledge, information and belief of the directors of Wheelock having made all reasonable enquiries on the Scheme Shareholders, such counterparties are third parties independent of Wheelock and its connected persons.

SUSPENSION AND RESUMPTION OF TRADING

At the request of WPL, trading of the Shares on the Stock Exchange was suspended from 9:30 a.m. on 19 April 2010 pending the issue of this announcement. An application has been made by WPL to the Stock Exchange for the resumption of trading of the Shares on the Stock Exchange with effect from 9:30 a.m. on 28 April 2010.

DEFINITIONS

Unless the context otherwise requires, capitalised terms used in this announcement shall have the following meanings: -

“acting in concert”	has the meaning ascribed to it in the Takeovers Code
“associates”	has the meaning ascribed to it in the Takeovers Code
“Announcement Date”	27 April 2010, being the date of this announcement
“Authorisations”	all necessary authorisations, registrations, filings, rulings, consents, permissions and approvals in connection with the Proposal
“Cancellation Price”	a price of HK\$13.00 per Scheme Share payable in cash to the Scheme Shareholders pursuant to the Proposal
“Companies Ordinance”	the Companies Ordinance, Chapter 32 of the Laws of Hong Kong
“Companies Registry”	the Companies Registry of Hong Kong
“Condition(s)”	the condition(s) of the Proposal as set out under the section of this announcement headed “Conditions of the Proposal”
“connected persons”	has the meaning ascribed to such term under the Listing Rules

“Court Meeting”	the meeting of the Scheme Shareholders to be convened at the direction of the High Court at which the Scheme will be voted upon
“Court Orders”	the orders of the High Court confirming the sanction of the Scheme as required by section 166 of the Companies Ordinance and confirming the reduction of capital of WPL as required by section 60 of the Companies Ordinance
“Effective Date”	the later of: (i) the date on which the Court Orders have been filed with the Companies Registry (as required by section 166 and section 61 of the Companies Ordinance); and (ii) the date on which the Companies Registry issues the relevant certificate of registration pursuant to section 61 of the Companies Ordinance
“EGM”	the extraordinary general meeting of WPL to be convened and to be held immediately following the Court Meeting, to consider the capital reduction in connection with the Scheme
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
“Facility”	the term facility agreement between, among others, Wheelock and HSBC dated 21 April 2010
“High Court”	the High Court of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HSBC”	The Hongkong and Shanghai Banking Corporation Limited, a registered institution licensed to conduct Type 1 (dealing in securities), Type 2 (dealing in future contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts) and Type 6 (advising on corporate finance) regulated activities under the SFO and a licensed bank under the Banking Ordinance, Chapter 155 of the Laws of Hong Kong
“Independent Shareholders”	Shareholders other than Wheelock and any person acting in concert with it
“Last Trading Date”	16 April 2010, being the last trading day prior to the suspension of trading in Shares pending the issue of this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“percentage ratios”	has the meaning ascribed to it under the Listing Rules
“Proposal”	the proposal for the privatisation of WPL by Wheelock by way of the Scheme
“Relevant Authorities”	appropriate government and/or governmental bodies, regulatory bodies, courts or institutions (including the SFC and the Stock Exchange)
“Scheme”	a scheme of arrangement between the Scheme Shareholders and WPL under section 166 of the Companies Ordinance involving the cancellation of all Shares held by the Scheme Shareholders
“Scheme Document”	the composite scheme document of WPL and Wheelock, containing, inter alia, further details of the Proposal and the Scheme together with the additional information specified in the section of this announcement headed “Despatch of Scheme Document”
“Scheme Shareholder(s) “	Shareholder(s) other than Wheelock and its wholly-owned subsidiaries that hold Shares
“Scheme Share(s)”	Shares held by the Scheme Shareholders
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Shareholder(s)”	holder(s) of the Share(s)
“Share(s)”	share(s) of HK\$0.20 each in the share capital of WPL
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“trading day”	a day on which the Stock Exchange is open for the business of dealings in securities
“Wheelock”	Wheelock and Company Limited (stock code: 20), a company incorporated in Hong Kong with limited liability with its shares listed on the Main Board of the Stock Exchange
“Wheelock Group”	Wheelock and its subsidiaries, but excluding the WPL Group

“WPL”	Wheelock Properties Limited (stock code: 49), a company incorporated in Hong Kong with limited liability with its shares listed on the Main Board of the Stock Exchange
“WPL Group”	WPL and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

**By order of the board of directors
WHEELOCK AND COMPANY LIMITED**

**Wilson W. S. Chan
Company Secretary**

**By order of the board of directors
WHEELOCK PROPERTIES LIMITED**

**Wilson W. S. Chan
Company Secretary**

Hong Kong, 27 April 2010

As at the Announcement Date, the board of directors of Wheelock comprises Mr. Peter K. C. Woo, Mr. Stephen T. H. Ng and Mr. Paul Y. C. Tsui, together with three independent non-executive directors, namely, Mr. Alexander S. K. Au, Mr. B. M. Chang and Mr. Kenneth W. S. Ting.

The directors of Wheelock jointly and severally accept full responsibility for the accuracy of information contained in this announcement (other than that relating to the WPL Group) and confirm, having made all reasonable enquiries, that, to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the WPL Group) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement (other than that relating to the WPL Group) misleading.

As at the Announcement Date, the board of directors of WPL comprises Mr. Peter K. C. Woo, Dr. Joseph M. K. Chow, Mr. T. Y. Ng, Mr. Paul Y. C. Tsui and Mr. Ricky K. Y. Wong, together with three independent non-executive directors, namely, Mr. Herald L. F. Lau, Mr. Roger K. H. Luk and Mr. Glenn S. Yee.

The directors of WPL jointly and severally accept full responsibility for the accuracy of information contained in this announcement (other than that relating to the Wheelock Group) and confirm, having made all reasonable enquiries, that, to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the Wheelock Group) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement (other than that relating to the Wheelock Group) misleading.