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Easywin Enterprises Corporation Limited
(義榮企業有限公司)
(Incorporated in Hong Kong with limited liability)

JOINT ANNOUNCEMENT

(1) VOLUNTARY CONDITIONAL CASH OFFER

BY THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED

ON BEHALF OF THE OFFEROR,

A WHOLLY OWNED SUBSIDIARY OF NEW WORLD DEVELOPMENT COMPANY LIMITED,

TO ACQUIRE ALL THE ISSUED SHARES OF

NEW WORLD CHINA LAND LIMITED

(OTHER THAN THOSE ALREADY HELD BY THE OFFEROR AND NEW WORLD DEVELOPMENT COMPANY LIMITED) AND TO CANCEL ALL THE OUTSTANDING OPTIONS OF NEW WORLD CHINA LAND LIMITED

(2) POSSIBLE MAJOR TRANSACTION FOR NEW WORLD DEVELOPMENT COMPANY LIMITED

AND

(3) RESUMPTION OF TRADING IN NWD SHARES, NWD BONDS,

NWCL SHARES AND NWCL BONDS

Financial Adviser to NWD and the Offeror



The Hongkong and Shanghai Banking Corporation Limited

Independent Financial Adviser to NWD and the Offeror



Quam Capital Limited

INTRODUCTION

The Offeror Board, the NWD Board and the NWCL Board jointly announce that HSBC, on behalf of the Offeror, a wholly owned subsidiary of NWD, intends to make a voluntary conditional cash offer to acquire all of the Offer Shares, and pursuant to Rule 13 of the Takeovers Code, extend an appropriate offer to cancel all the outstanding NWCL Options.

THE OFFERS

The Offers will be made by HSBC on behalf of the Offeror in compliance with the Takeovers Code on the basis set out below.

Share Offer:

For each Offer Share HK\$7.80 in cash

The Share Offer will be extended to all NWCL Shareholders (including certain Offeror Concert Parties) except the Offeror and NWD.

Option Offer:

For cancellation of each NWCL Option Option Offer Price in cash

Depending on the exercise price of each relevant NWCL Option, the Option Offer Price ranges from HK\$2.38 to HK\$5.35 per NWCL Option.

The Option Offer will be extended to all NWCL Optionholders in accordance with the Takeovers Code.

Value of the Offers

As at the Last Trading Day, there were (i) 8,693,601,081 NWCL Shares in issue, of which 5,977,019,371 NWCL Shares were held by the Offeror and NWD; and (ii) 33,885,034 outstanding NWCL Options granted under the Share Option Schemes (including 20,060,200 NWCL Options which have not been vested on the Announcement Date), entitling the NWCL Optionholders to subscribe for an aggregate of 33,885,034 NWCL Shares at an exercise price ranging from HK\$2.45 to HK\$5.42 per NWCL Option.

On the assumption that no NWCL Option is exercised before the close of the Offers and the Offers are accepted in full, the Offers are valued at approximately HK\$21,317.0 million.

On the assumption that the NWCL Options are exercised in full prior to the close of the Offers and the Share Offer is accepted in full (including all NWCL Shares allotted and issued as a result of the exercise of all the NWCL Options), the value of the Share Offer is approximately HK\$21,453.6 million. In this case, no amount will be payable by the Offeror under the Option Offer.

Confirmation of Financial Resources

The Offeror intends to finance the cash required for the Offers from its (or NWD's) own cash reserves. In addition, HSBC (in its capacity as lender) has granted a credit facility of HK\$21,467.0 million to the Offeror which may be used to finance the cash required for the Offers in full.

HSBC, the financial adviser to NWD and the Offeror in respect of the Offers, is satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptances of the Offers in accordance with their respective terms.

CONDITIONS OF THE OFFERS

The Share Offer is subject to the following Conditions:

- (i) the shareholders of NWD having passed an ordinary resolution at its general meeting to approve the Offers;
- (ii) valid acceptances of the Share Offer having been received (and not, where permitted, withdrawn) by 4:00 p.m. on the Closing Date (or such later time or date as the Offeror may, subject to the rules of the Takeovers Code, decide) in respect of such number of NWCL Shares which would result in the Offeror holding at least 90% of the Offer Shares with the further proviso that, within that holding, the Offeror would also hold at least 90% of the Disinterested NWCL Shares;
- (iii) no event having occurred which would make any of the Offers or the acquisition of any of the Offer Shares or the cancellation of the NWCL Options under the Option Offer void, unenforceable or illegal or prohibit implementation of any of the Offers or would impose any additional material conditions or obligations with respect to any of the Offers or any part thereof;
- (iv) all necessary consents (including consents from the relevant lenders) in connection with the Offers and in connection with the withdrawal of listing of the NWCL Shares from the Stock Exchange which may be required under any existing contractual obligations of NWCL being obtained and remaining in effect;
- (v) no relevant government, governmental, quasi-government, statutory or regulatory body, court or agency in Hong Kong, Cayman Islands or any other jurisdictions 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 any of the Offers 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 any of the Offers or its implementation in accordance with its terms); and

(vi) since the Announcement Date, there having been no material adverse change in the business, assets, financial or trading positions or prospects or conditions (whether operational, legal or otherwise) of the NWCL Group (to an extent which is material in the context of the NWCL Group taken as a whole).

The Offeror reserves the right to waive, in whole or in part, all or any of the Conditions set out above (other than Conditions (i) and (ii)).

The Option Offer will be subject to and conditional upon the Share Offer becoming or being declared unconditional in all respects.

Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror should not invoke any or all of the Conditions so as to cause the Offers to lapse unless the circumstances which give rise to the right to invoke any such Condition are of material significance to the Offeror in the context of the Offers.

In accordance with Rule 15.3 of the Takeovers Code, the Offeror must publish an announcement when the Share Offer becomes unconditional as to acceptances and when the Offers become unconditional in all respects. The Offers must also remain open for acceptance for at least fourteen (14) days after the Offers become unconditional in all respects. NWCL Shareholders and the NWCL Optionholders are reminded that the Offeror does not have any obligation to keep the Offers open for acceptance beyond this 14-day period.

WARNING: Shareholders, holders of options and securities and potential investors of NWD and NWCL should be aware that the Offers are subject to the satisfaction and/or waiver (where applicable) of the Conditions. Accordingly, the Offers may or may not become unconditional. Shareholders, holders of options and securities and potential investors of NWD and NWCL should therefore exercise caution when dealing in the securities of NWD and NWCL. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

PUBLIC FLOAT

According to the Listing Rules, if, upon the close of the Offers, less than 25% of the issued NWCL Shares are held by the public, or if the Stock Exchange believes that a false market exists or may exist in the trading of the NWCL Shares or there are insufficient NWCL Shares in public hands to maintain an orderly market, then the Stock Exchange will consider exercising its discretion to suspend dealings in the NWCL Shares.

POSSIBLE COMPULSORY ACQUISITION AND WITHDRAWAL OF LISTING

Subject to compliance with the relevant requirements under section 88 of the Cayman Islands Companies Law, if the Offeror, within four (4) months of the posting of the Composite Document, has received valid acceptances in respect of not less than 90% of the Offer Shares and not less than 90% of the Disinterested NWCL Shares, the Offeror intends to privatise NWCL by exercising its right to compulsorily acquire those Offer Shares not acquired by the Offeror under the Share Offer. If the Offeror does decide to exercise such right and completes the compulsory acquisition, NWCL will become an indirect wholly owned subsidiary of NWD and an application will be made for the withdrawal of the listing of the NWCL Shares from the Stock Exchange pursuant to Rule 6.15 of the Listing Rules.

If the level of acceptances of the Share Offer reaches the prescribed level under the Cayman Islands Companies Law required for compulsory acquisition and the requirements of Rule 2.11 of the Takeovers Code are satisfied, dealings in the NWCL Shares will be suspended from the Closing Date up to the withdrawal of listing of the NWCL Shares from the Stock Exchange pursuant to Rule 6.15 of the Listing Rules.

Whilst it is the intention of the Offeror to privatise NWCL, the Offeror's ability to exercise rights of compulsory acquisition in respect of the Offer Shares is dependent on the level of acceptances of the Share Offer reaching the prescribed level under the Cayman Islands Companies Law and on the requirements of Rule 2.11 of the Takeovers Code being satisfied.

If the Offer Shares validly tendered for acceptance under the Share Offer are less than 90% of the Offer Shares or less than 90% of the Disinterested NWCL Shares, the Offers will not become unconditional and will lapse and NWCL will remain listed on the Stock Exchange.

NWCL INDEPENDENT BOARD COMMITTEE

The NWCL Board has established the NWCL Independent Board Committee, comprising three independent non-executive directors of NWCL, being Dr. Cheng Wai-Chee, Christopher, Hon. Tien Pei-Chun, James and Mr. Ip Yuk-Keung, Albert, to make a recommendation to the Independent NWCL Shareholders and the NWCL Optionholders as to whether the Offers are, or are not, fair and reasonable and as to acceptance.

The remaining independent non-executive director of NWCL, namely, Mr. Lee Luen-Wai, John, is also an independent non-executive director of NWD. In order to avoid any perceived conflict of interests, Mr. Lee Luen-Wai, John does not form part of the NWCL Independent Board Committee.

Pursuant to Rule 2.8 of the Takeovers Code, members of the NWCL Independent Board Committee are all independent non-executive directors who have no direct or indirect interest in the Offers other than as holders of NWCL Shares and NWCL Options.

The NWCL Independent Financial Adviser will be appointed to advise the NWCL Independent Board Committee in connection with the Offers. A further announcement will be made after the NWCL Independent Financial Adviser has been appointed.

INTENTIONS OF NWD REGARDING THE NWCL GROUP

NWD intends to continue with the existing business of the NWCL Group upon the completion of the Offers and subject to market conditions, may explore various opportunities to further develop the existing business of the NWCL Group. NWD may also from time to time consider the need to fund such further development by debt and/or equity financing by NWCL, subject to the NWCL Group's business needs and prevailing market conditions. NWD does not currently intend to introduce significant changes to the existing operations of NWCL save for those changes which NWD may from time to time implement following the review of its strategic options relating to the business, structure and/or direction of the NWCL Group. It is also the current intention of NWD that the employment of the existing employees of the NWCL Group and the directorship of the existing directors of the NWCL Group should be continued following completion of the Offers except for changes which may occur in the ordinary course of business.

DESPATCH OF COMPOSITE DOCUMENT

The Composite Document containing, among other things, further details of the Offers, the expected timetable, information regarding NWCL, a property valuation report on NWCL's properties, recommendations from the NWCL Independent Board Committee with respect to the Offers, and the advice of the NWCL Independent Financial Adviser to the NWCL Independent Board Committee, will be despatched to NWCL Shareholders and the NWCL Optionholders as soon as practicable and in compliance with the requirements of the Takeovers Code and other applicable laws and regulations.

A letter containing the details of the Option Offer will also be despatched to the NWCL Optionholders at or around the same time as the despatch of the Composite Document.

LISTING RULES IMPLICATION FOR NWD

If the Offers are completed on the proposed terms, they will constitute a major transaction for NWD under Chapter 14 of the Listing Rules.

Possible major transaction

As one or more of the Applicable Percentage Ratios in respect of the Offers will exceed 25% and all of those Applicable Percentage Ratios will be less than 100%, the implementation of the Offers will constitute a major transaction for NWD under Chapter 14 of the Listing Rules which is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules. A circular of NWD containing, among others, details of the Offers, information regarding NWCL and a notice to convene an extraordinary general meeting of NWD for considering and, if thought fit, approving the Offers, will be despatched to the shareholders of NWD. As more time is required for preparing the information to be contained in such circular of NWD, it is expected that such circular will be despatched to the shareholders of NWD on or about 29 February 2016.

The shareholders of NWD who have a material interest in the Offers and their associates will be required to abstain from voting on the resolution approving the Offers at the extraordinary general meeting of NWD.

Each of Dr. Cheng Kar-Shun, Henry, Mr. Cheng Kar-Shing, Peter, Mr. Doo Wai-Hoi, William and Ms. Ki Man-Fung, Leonie, being directors of NWD, and/or their respective close associates who own NWD Shares, and are interested in NWCL Shares and/or NWCL Options, will abstain from voting on the relevant resolution(s) approving the Offers at the extraordinary general meeting of NWD.

Chow Tai Fook Enterprises Limited and its subsidiaries, which hold an aggregate of 4,065,083,926 NWD Shares, representing approximately 43.87% of the total issued NWD Shares, will be entitled to vote on the relevant resolution(s) approving the Offers at the extraordinary general meeting of NWD. Chow Tai Fook Enterprises Limited intends to, and procure its subsidiaries to, vote all their NWD Shares for such resolution(s).

Fully exempt de minimis connected transactions

As at the Announcement Date, a number of connected persons of NWD under the Listing Rules were interested in NWCL Shares and/or NWCL Options. The expected maximum aggregate payment of approximately HK\$105.2 million by the Offeror comprising the Share Offer Price and the Option Offer Price payable to the aforesaid connected persons for the acquisition of their respective interests in the Offer Shares and the NWCL Options will constitute connected transactions for NWD under Chapter 14A of the Listing Rules. Such possible connected transactions will be fully exempt de minimis transactions as all of the Applicable Percentage Ratios in respect of such maximum aggregate payment of Share Offer Price and Option Offer Price by the Offeror to these connected persons of NWD are less than 0.1% (in the case of connected persons of NWD other than those persons connected at the subsidiary level only) (such maximum aggregate payment of Share Offer Price and Option Offer Price being approximately HK\$53.2 million) or 1% (in the case of those connected persons of NWD connected at the subsidiary level only) (such maximum aggregate payment of Share Offer Price and Option Offer Price being approximately HK\$52.0 million).

SUSPENSION AND RESUMPTION OF TRADING IN NWD SHARES, NWD BONDS, NWCL SHARES AND NWCL BONDS

At the request of NWD, trading in NWD Shares (stock code: 0017) and NWD Bonds (stock codes: 04315, 05582 and 06029) on the Stock Exchange was halted from 9:00 a.m. on 4 January 2016 pending the release of this announcement. An application has been made by NWD to the Stock Exchange for the resumption of trading in NWD Shares (stock code: 0017) and NWD Bonds (stock codes: 04315, 05582 and 06029) on the Stock Exchange with effect from 9:00 a.m. on 6 January 2016.

At the request of NWCL, trading in NWCL Shares (stock code: 0917) and NWCL Bonds (stock codes: 85914 and 05824) on the Stock Exchange was suspended from 9:00 a.m. on 4 January 2016 pending the release of this announcement. An application has been made by NWCL to the Stock Exchange for the resumption of trading in NWCL Shares (stock code: 0917) and NWCL Bonds (stock codes: 85914 and 05824) on the Stock Exchange with effect from 9:00 a.m. on 6 January 2016.

INTRODUCTION

The Offeror Board, the NWD Board and the NWCL Board jointly announce that HSBC, on behalf of the Offeror, a wholly owned subsidiary of NWD, intends to make a voluntary conditional cash offer to acquire all of the Offer Shares, and pursuant to Rule 13 of the Takeovers Code, extend an appropriate offer to cancel all the outstanding NWCL Options.

The Offeror is proposing to make the Share Offer by way of a general offer, rather than a scheme of arrangement as used in its privatisation proposal for NWCL which lapsed in June 2014 (the “**Previous Proposal**”). This is because the Cayman Islands, unlike Hong Kong, still requires all schemes of arrangement to be approved by a majority in number of shareholders present and voting in person or by proxy at the relevant shareholders’ meeting to consider a proposed scheme of arrangement (a so-called “head count” test). The Offeror believes that it is more equitable to the Independent NWCL Shareholders if the outcome of the Share Offer is determined solely on the basis of the level of acceptances of the Share Offer in terms of NWCL Shares, and in this regard notes that in the Previous Proposal 99.84% of the votes cast at the relevant shareholders’ meeting were in favour of the Previous Proposal but that the Previous Proposal did not proceed due solely to the “head count” test. The Offeror believes that the outcome of the Previous Proposal did not reflect the preference of the majority of the Independent NWCL Shareholders by reference to the value of NWCL Shares held.

THE OFFERS

The Offers will be made by HSBC on behalf of the Offeror in compliance with the Takeovers Code on the basis set out below.

Share Offer:

For each Offer Share HK\$7.80 in cash

The Share Offer will be extended to all NWCL Shareholders (including certain Offeror Concert Parties) except the Offeror and NWD.

Option Offer:

For cancellation of each NWCL Option Option Offer Price in cash

The relevant exercise price applicable to each NWCL Option ranges from HK\$2.45 to HK\$5.42 and accordingly, the Option Offer Price ranges from HK\$2.38 to HK\$5.35 per NWCL Option.

The Option Offer will be extended to all NWCL Optionholders in accordance with the Takeovers Code.

Comparisons of value

The Share Offer Price of HK\$7.80 represents:

- (i) a premium of approximately 25.6% over the closing price of HK\$6.21 per NWCL Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a premium of approximately 28.5% over the average closing price of approximately HK\$6.07 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the last 5 trading days immediately prior to and including the Last Trading Day;
- (iii) a premium of approximately 29.4% over the average closing price of approximately HK\$6.03 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the last 10 trading days immediately prior to and including the Last Trading Day;
- (iv) a premium of approximately 40.8% over the average closing price of approximately HK\$5.54 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the last 30 trading days immediately prior to and including the Last Trading Day;
- (v) a premium of approximately 45.8% over the average closing price of approximately HK\$5.35 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the last 60 trading days immediately prior to and including the Last Trading Day;
- (vi) a premium of approximately 56.9% over the average closing price of approximately HK\$4.97 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the last 180 trading days up to and including the Last Trading Day; and
- (vii) a premium of approximately 11.5% to the audited consolidated net asset value per NWCL Share of approximately HK\$6.995 as at 30 June 2015.

NWCL Shareholders should note that the Composite 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 NWCL's properties as at a date not more than three months prior to the date of the Composite Document.

NWCL Shareholders should also note that, as shown in the audited consolidated financial statements of NWCL as at 30 June 2015, a significant portion of NWCL's assets consisted of investment properties, land use rights, properties held for development, properties under development and completed properties held for sale. The value of these assets as stated in such audited consolidated financial statements may or may not reflect the current market value of these assets. Furthermore, since 30 June 2015, NWD and NWCL jointly announced the Disposals, certain of which have not been completed as of the Announcement Date. Such Disposals may be accretive to NWCL's consolidated net asset value and the impact has not been reflected in NWCL's audited consolidated financial statements as at 30 June 2015. Please refer to the joint announcement of NWD and NWCL dated 2 December 2015, the circular of NWCL dated 23 December 2015 and the joint announcement of NWD and NWCL dated 29 December 2015 for details in respect of the Disposals.

Value of the Offers

As at the Last Trading Day, there were (i) 8,693,601,081 NWCL Shares in issue, of which 5,977,019,371 NWCL Shares were held by the Offeror and NWD; and (ii) 33,885,034 outstanding NWCL Options granted under the Share Option Schemes (including 20,060,200 NWCL Options which have not been vested on the Announcement Date), entitling the NWCL Optionholders to subscribe for an aggregate of 33,885,034 NWCL Shares at an exercise price ranging from HK\$2.45 to HK\$5.42 per NWCL Option.

Based on HK\$7.80 per Offer Share under the Share Offer, the entire issued share capital of NWCL as at the Last Trading Day was valued at approximately HK\$67,810.1 million.

On the assumption that no NWCL Option is exercised prior to the close of the Offers and the Share Offer is accepted in full by the holders of the Offer Shares and on the basis that there will be 2,716,581,710 Offer Shares, the value of the Share Offer is approximately HK\$21,189.3 million and the total amount required to satisfy the cancellation of all the outstanding NWCL Options is approximately HK\$127.7 million. In aggregate, the Offers are valued at approximately HK\$21,317.0 million.

If all of the outstanding NWCL Options are exercised in full by the NWCL Optionholders prior to the close of the Offers, NWCL will have to issue 33,885,034 new NWCL Shares, representing approximately 0.39% of the enlarged issued share capital of NWCL.

On the assumption that the Share Offer is accepted in full by the holders of the Offer Shares and on the basis that there will be 2,750,466,744 Offer Shares (including all NWCL Shares allotted and issued as a result of the exercise of all the outstanding NWCL Options), the value of the Share Offer is approximately HK\$21,453.6 million. In this case, no amount will be payable by the Offeror under the Option Offer.

Confirmation of Financial Resources

The Offeror intends to finance the cash required for the Offers from its (or NWD's) own cash reserves. In addition, HSBC (in its capacity as lender) has granted a credit facility of HK\$21,467.0 million to the Offeror which may be used to finance the cash required for the Offers in full.

HSBC, being the financial adviser to NWD and the Offeror in respect of the Offers, is satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offers in accordance with their respective terms.

Settlement of Consideration

Settlement of the consideration payable by the Offeror in respect of acceptances of each of the Offers will be made as soon as possible but in any event within seven (7) Business Days of the later of (i) the date of receipt of a completed and valid acceptance in respect of the Share Offer and Option Offer (as applicable) or (ii) the date on which the Offers become or are declared unconditional in all respects.

No fraction of a cent will be payable and the amount of cash consideration payable to a NWCL Shareholder or NWCL Optionholder (as the case may be) who accepts the Share Offer or Option Offer (as applicable) will be rounded up to the nearest cent.

CONDITIONS OF THE OFFERS

The Share Offer is subject to the following Conditions:

- (i) the shareholders of NWD having passed an ordinary resolution at its general meeting to approve the Offers;
- (ii) valid acceptances of the Share Offer having been received (and not, where permitted, withdrawn) by 4:00 p.m. on the Closing Date (or such later time or date as the Offeror may, subject to the rules of the Takeovers Code, decide) in respect of such number of NWCL Shares which would result in the Offeror holding at least 90% of the Offer Shares with the further proviso that, within that holding, the Offeror would also hold at least 90% of the Disinterested NWCL Shares;
- (iii) no event having occurred which would make any of the Offers or the acquisition of any of the Offer Shares or the cancellation of the NWCL Options under the Option Offer void, unenforceable or illegal or prohibit implementation of any of the Offers or would impose any additional material conditions or obligations with respect to any of the Offers or any part thereof;

- (iv) all necessary consents (including consents from the relevant lenders) in connection with the Offers and in connection with the withdrawal of listing of the NWCL Shares from the Stock Exchange which may be required under any existing contractual obligations of NWCL being obtained and remaining in effect;
- (v) no relevant government, governmental, quasi-government, statutory or regulatory body, court or agency in Hong Kong, Cayman Islands or any other jurisdictions 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 any of the Offers 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 any of the Offers or its implementation in accordance with its terms); and
- (vi) since the Announcement Date, there having been no material adverse change in the business, assets, financial or trading positions or prospects or conditions (whether operational, legal or otherwise) of the NWCL Group (to an extent which is material in the context of the NWCL Group taken as a whole).

The Offeror reserves the right to waive, in whole or in part, all or any of the Conditions set out above (other than Conditions (i) and (ii)).

The Option Offer will be subject to and conditional upon the Share Offer becoming or being declared unconditional in all respects.

Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror should not invoke any or all of the Conditions so as to cause the Offers to lapse unless the circumstances which give rise to the right to invoke any such Condition are of material significance to the Offeror in the context of the Offers.

In accordance with Rule 15.3 of the Takeovers Code, the Offeror must publish an announcement when the Share Offer becomes unconditional as to acceptances and when the Offers become unconditional in all respects. The Offers must also remain open for acceptance for at least fourteen (14) days after the Offers become unconditional in all respects. NWCL Shareholders and the NWCL Optionholders are reminded that Offeror does not have any obligation to keep the Offers open for acceptance beyond this 14-day period.

WARNING: Shareholders, holders of options and securities and potential investors of NWD and NWCL should be aware that the Offers are subject to the satisfaction and/or waiver (where applicable) of the Conditions. Accordingly, the Offers may or may not become unconditional. Shareholders, holders of options and securities and potential investors of NWD and NWCL should therefore exercise caution when dealing in the securities of NWD and NWCL. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

PUBLIC FLOAT

According to the Listing Rules, if, upon the close of the Offers, less than 25% of the issued NWCL Shares are held by the public, or if the Stock Exchange believes that a false market exists or may exist in the trading of the NWCL Shares or there are insufficient NWCL Shares in public hands to maintain an orderly market, then the Stock Exchange will consider exercising its discretion to suspend dealings in the NWCL Shares.

POSSIBLE COMPULSORY ACQUISITION AND WITHDRAWAL OF LISTING

Subject to compliance with the relevant requirements under section 88 of the Cayman Islands Companies Law, if the Offeror, within four (4) months of the posting of the Composite Document, has received valid acceptances in respect of not less than 90% of the Offer Shares and not less than 90% of the Disinterested NWCL Shares, the Offeror intends to privatise NWCL by exercising its right to compulsorily acquire those Offer Shares not acquired by the Offeror under the Share Offer. If the Offeror does decide to exercise such right and completes the compulsory acquisition, NWCL will become an indirect wholly owned subsidiary of NWD and an application will be made for the withdrawal of the listing of the NWCL Shares from the Stock Exchange pursuant to Rule 6.15 of the Listing Rules.

If the level of acceptances of the Share Offer reaches the prescribed level under the Cayman Islands Companies Law required for compulsory acquisition and the requirements of Rule 2.11 of the Takeovers Code are satisfied, dealings in the NWCL Shares will be suspended from the Closing Date up to the withdrawal of listing of the NWCL Shares from the Stock Exchange pursuant to Rule 6.15 of the Listing Rules.

Whilst it is the intention of the Offeror to privatise NWCL, the Offeror's ability to exercise rights of compulsory acquisition in respect of the Offer Shares is dependent on the level of acceptances of the Share Offer reaching the prescribed level under the Cayman Islands Companies Law and on the requirements of Rule 2.11 of the Takeovers Code being satisfied.

If the Offer Shares validly tendered for acceptance under the Share Offer are less than 90% of the Offer Shares or less than 90% of the Disinterested NWCL Shares, the Offers will not become unconditional and will lapse and NWCL will remain listed on the Stock Exchange.

NWCL INDEPENDENT BOARD COMMITTEE

The NWCL Board has established the NWCL Independent Board Committee, comprising three independent non-executive directors of NWCL, being Dr. Cheng Wai-Chee, Christopher, Hon. Tien Pei-Chun, James and Mr. Ip Yuk-Keung, Albert, to make a recommendation to the Independent NWCL Shareholders and the NWCL Optionholders as to whether the Offers are, or are not, fair and reasonable and as to acceptance.

The remaining independent non-executive director of NWCL, namely, Mr. Lee Luen-Wai, John, is also an independent non-executive director of NWD. In order to avoid any perceived conflict of interests, Mr. Lee Luen-Wai, John does not form part of the NWCL Independent Board Committee.

Pursuant to Rule 2.8 of the Takeovers Code, members of the NWCL Independent Board Committee are all independent non-executive directors who have no direct or indirect interest in the Offers other than as holders of NWCL Shares and NWCL Options.

The NWCL Independent Financial Adviser will be appointed to advise the NWCL Independent Board Committee in connection with the Offers. A further announcement will be made after the NWCL Independent Financial Adviser has been appointed.

SHAREHOLDING STRUCTURE OF NWCL AND THE OFFERS

As at the Announcement Date, the authorised share capital of NWCL was HK\$3,000,000,000 divided into 30,000,000,000 NWCL Shares, and the issued share capital of NWCL was HK\$869,360,108 divided into 8,693,601,081 NWCL Shares. There were no preference shares of NWCL in issue.

Share Offer

On the assumption that no NWCL Options are exercised before the close of the Offers and there is no other change in the shareholding of NWCL before the completion of the Offers, the table below sets out the shareholding structure of NWCL as at the Announcement Date and immediately upon the completion of the Offers assuming that the holders of at least 90% of the Disinterested NWCL Shares tender their acceptances of the Share Offer and the remaining Offer Shares are compulsorily acquired by the Offeror:

NWCL Shareholders

	As at the Announcement Date (Assuming that no NWCL Options are exercised and there is no other change in shareholding of NWCL)		Immediately upon completion of the Offers (Assuming that no NWCL Options are exercised and there is no other change in shareholding of NWCL)	
	Number of NWCL Shares	%	Number of NWCL Shares	%
Offeror	255,041,727	2.93	2,971,623,437	34.18
Offeror Concert Parties				
<i>NWCL Shares held not subject to the Share Offer:</i>				
— NWD (Note 1)	<u>5,721,977,644</u>	<u>65.82</u>	<u>5,721,977,644</u>	<u>65.82</u>
	<u>5,977,019,371</u>	<u>68.75</u>	<u>8,693,601,081</u>	<u>100.00</u>
Other Offeror Concert Parties				
<i>NWCL Shares held subject to the Share Offer (not forming part of the Disinterested NWCL Shares):</i>				
— High Earnings (Note 2)	93,073,738	1.07	—	—
— Great Worth (Note 3)	22,508,064	0.26	—	—
— HSBC (Note 4)	—	—	—	—
— Dr. Cheng Kar-Shun, Henry (Note 5)	—	—	—	—
— Mr. Cheng Kar-Shing, Peter (Note 6)	755,961	0.01	—	—
— Dr. Cheng Chi-Kong, Adrian (Note 7)	—	—	—	—
— Ms. Cheng Chi-Man, Sonia (Note 8)	—	—	—	—
— Mr. Lee Luen-Wai, John (Note 9)	387,448	0.00	—	—
— Mr. Doo Wai-Hoi, William (Note 10)	2,571,663	0.03	—	—
— Mr. William Junior Guilherme Doo and his spouse (Note 11)	517,500	0.01	—	—
— Ms. Ki Man-Fung, Leonie (Note 12)	<u>45,000</u>	<u>0.00</u>	<u>—</u>	<u>—</u>
	<u>119,859,374</u>	<u>1.38</u>	<u>—</u>	<u>—</u>

	As at the Announcement Date (Assuming that no NWCL Options are exercised and there is no other change in shareholding of NWCL)		Immediately upon completion of the Offers (Assuming that no NWCL Options are exercised and there is no other change in shareholding of NWCL)	
	<i>Number of NWCL Shares</i>	<i>%</i>	<i>Number of NWCL Shares</i>	<i>%</i>
Aggregate number of NWCL Shares held by the Offeror Concert Parties	<u>5,841,837,018</u>	<u>67.20</u>	<u>5,721,977,644</u>	<u>65.82</u>
Aggregate number of NWCL Shares held by the Offeror and the Offeror Concert Parties	6,096,878,745	70.13	8,693,601,081	100.00
Independent NWCL Shareholders	<u>2,596,722,336</u>	<u>29.87</u>	<u>—</u>	<u>—</u>
Total number of NWCL Shares in issue	<u>8,693,601,081</u>	<u>100.00</u>	<u>8,693,601,081</u>	<u>100.00</u>
Total number of Offer Shares (Note 13)	<u>2,716,581,710</u>	<u>31.25</u>	<u>—</u>	<u>—</u>

Notes:

1. The Offeror is wholly owned by NWD, which is acting in concert with the Offeror in relation to NWCL. NWCL Shares held by NWD will not form part of Offer Shares and will not be acquired by the Offeror under the Share Offer.
2. High Earnings is wholly owned by NWS. NWS is a non-wholly owned subsidiary of NWD. The shares of NWS are listed on the Stock Exchange with the stock code 659. High Earnings is acting in concert with the Offeror in relation to NWCL.
3. Great Worth is a non-wholly owned subsidiary of NWD and is acting in concert with the Offeror in relation to NWCL.
4. HSBC is the financial adviser to NWD and the Offeror in respect of the Offers. Accordingly, HSBC and relevant members of the HSBC group which hold NWCL Shares are presumed to be acting in concert with the Offeror in relation to NWCL in accordance with class 5 of the definition of “acting in concert” under the Takeovers Code (except in respect of NWCL Shares held by exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purpose of the Takeovers Code and also excluding NWCL Shares held on behalf of non-discretionary investment clients of the HSBC group). Details of holdings or borrowings or lendings of, and dealings in, NWCL 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. A further announcement will be jointly made by NWD and NWCL if the holdings, borrowings, lendings, or dealings of the other parts of the HSBC group are significant. The statements in this announcement as to the holdings or borrowings or lendings of, or their dealings in, NWCL Shares or derivatives in respect of NWCL Shares by parties acting in concert with the Offeror are subject to the holdings, borrowings, lendings, or dealings (if any) of the other parts of the HSBC group.

5. Dr. Cheng Kar-Shun, Henry, who is an executive director of NWD and an executive director of NWCL, is acting in concert with the Offeror in relation to NWCL. As at the Announcement Date, Dr. Cheng Kar-Shun, Henry is also interested in 2,077,922 NWCL Options, of which 2,077,922 are vested.
6. Mr. Cheng Kar-Shing, Peter, who is a non-executive director of NWD and an executive director of NWCL, is acting in concert with the Offeror in relation to NWCL. As at the Announcement Date, Mr. Cheng Kar-Shing, Peter is also interested in 831,169 NWCL Options, of which 831,169 are vested.
7. Dr. Cheng Chi-Kong, Adrian, who is an executive director of NWD and an executive director of NWCL, is acting in concert with the Offeror in relation to NWCL. As at the Announcement Date, Dr. Cheng Chi-Kong, Adrian is also interested in 935,066 NWCL Options, of which 935,066 are vested.
8. Ms. Cheng Chi-Man, Sonia, who is an executive director of NWD and an executive director of NWCL, is acting in concert with the Offeror in relation to NWCL.
9. Mr. Lee Luen-Wai, John, who is an independent non-executive director of NWD and an independent non-executive director of NWCL, is acting in concert with the Offeror in relation to NWCL. As at the Announcement Date, Mr. Lee Luen-Wai, John is also interested in 311,688 NWCL Options, of which 311,688 are vested.
10. Mr. Doo Wai-Hoi, William, who is a non-executive director of NWD, is acting in concert with the Offeror in relation to NWCL.
11. Mr. William Junior Guilherme Doo, who is the son of Mr. Doo Wai-Hoi, William, a non-executive director of NWD, and his spouse are acting in concert with the Offeror in relation to NWCL.
12. Ms. Ki Man-Fung, Leonie, who is an executive director of NWD, is acting in concert with the Offeror in relation to NWCL.
13. The total number of NWCL Shares (assuming that no NWCL Options are exercised before the close of the Offers and that there is no other change in shareholding of NWCL before completion of the Offers) minus the aggregate number of NWCL Shares held by the Offeror and NWD equals the total number of Offer Shares (on the same assumptions).
14. All percentages in the above table are approximations.

On the assumption that all NWCL Options are vested and exercised in full before the close of the Offers and that there is no other change in the shareholding of NWCL before the completion of the Offers, the table below sets out the shareholding structure of NWCL before the completion of the Offers and immediately upon the completion of the Offers assuming that the holders of at least 90% of the Disinterested NWCL Shares tender their acceptances of the Share Offer and the remaining Offer Shares are compulsorily acquired by the Offeror:

NWCL Shareholders

	Assuming that all NWCL Options are vested and exercised in full before the close of the Offers and there is no other change in shareholding of NWCL before completion of the Offers		Immediately upon completion of the Offers	
	Number of NWCL Shares	%	Number of NWCL Shares	%
Offeror	255,041,727	2.93	3,005,508,471	34.44
Offeror Concert Parties				
<i>NWCL Shares held not subject to the Share Offers:</i>				
— NWD (Note 1)	<u>5,721,977,644</u>	<u>65.56</u>	<u>5,721,977,644</u>	<u>65.56</u>
	<u>5,977,019,371</u>	<u>68.49</u>	<u>8,727,486,115</u>	<u>100.00</u>
Other Offeror Concert Parties				
<i>NWCL Shares held subject to the Share Offer (not forming part of the Disinterested NWCL Shares):</i>				
— High Earnings (Note 2)	93,073,738	1.07	—	—
— Great Worth (Note 3)	22,508,064	0.26	—	—
— HSBC (Note 4)	—	—	—	—
— Dr. Cheng Kar-Shun, Henry (Note 5)	2,077,922	0.02	—	—
— Mr. Cheng Kar-Shing, Peter (Note 6)	1,587,130	0.02	—	—
— Dr. Cheng Chi-Kong, Adrian (Note 7)	935,066	0.01	—	—
— Ms. Cheng Chi-Man, Sonia (Note 8)	—	—	—	—
— Mr. Lee Luen-Wai, John (Note 9)	699,136	0.01	—	—
— Mr. Doo Wai-Hoi, William (Note 10)	2,571,663	0.03	—	—
— Mr. William Junior Guilherme Doo and his spouse (Note 11)	517,500	0.01	—	—
— Ms. Ki Man-Fung, Leonie (Note 12)	<u>45,000</u>	<u>0.00</u>	<u>—</u>	<u>—</u>
	<u>124,015,219</u>	<u>1.42</u>	<u>—</u>	<u>—</u>

**Assuming that all NWCL
Options are vested and
exercised in full before the
close of the Offers and
there is no other change in
shareholding of NWCL before
completion of the Offers**

**Immediately upon
completion of the Offers**

	<i>Number of NWCL Shares</i>	%	<i>Number of NWCL Shares</i>	%
Aggregate number of NWCL Shares held by the Offeror Concert Parties	<u>5,845,992,863</u>	<u>66.98</u>	<u>5,721,977,644</u>	<u>65.56</u>
Aggregate number of NWCL Shares held by the Offeror and the Offeror Concert Parties	6,101,034,590	69.91	8,727,486,115	100.00
Independent NWCL Shareholders	<u>2,626,451,525</u>	<u>30.09</u>	<u>—</u>	<u>—</u>
Total number of NWCL Shares in issue	<u>8,727,486,115</u>	<u>100.00</u>	<u>8,727,486,115</u>	<u>100.00</u>
Total number of Offer Shares (Note 13)	<u>2,750,466,744</u>	<u>31.51</u>	<u>—</u>	<u>—</u>

Notes:

1. The Offeror is wholly owned by NWD, which is acting in concert with NWD in relation to NWCL. NWCL Shares held by NWD will not form part of the Offer Shares and will not be cancelled.
2. High Earnings is wholly owned by NWS. NWS is a non-wholly owned subsidiary of NWD. The shares of NWS are listed on the Stock Exchange with the stock code 659. High Earnings is acting in concert with the Offeror in relation to NWCL.
3. Great Worth is a non-wholly owned subsidiary of NWD and is acting in concert with the Offeror in relation to NWCL.
4. HSBC is the financial adviser to NWD and the Offeror in respect of the Offers. Accordingly, HSBC and relevant members of the HSBC group which hold NWCL Shares are presumed to be acting in concert with the Offeror in relation to NWCL in accordance with class 5 of the definition of “acting in concert” under the Takeovers Code (except in respect of NWCL Shares held by exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purpose of the Takeovers Code and also excluding NWCL Shares held on behalf of non-discretionary investment clients of the HSBC group). Details of holdings or borrowings or lendings of, and dealings in, NWCL 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. A further announcement will be jointly made by NWD and NWCL if the holdings, borrowings, lendings, or dealings of the other parts of the HSBC group are significant. The statements in this announcement as to the holdings or borrowings or lendings of, or their dealings in, NWCL Shares or derivatives in respect of NWCL Shares by parties acting in concert with the Offeror are subject to the holdings, borrowings, lendings, or dealings (if any) of the other parts of the HSBC group.

5. Dr. Cheng Kar-Shun, Henry, who is an executive director of NWD and an executive director of NWCL, is acting in concert with the Offeror in relation to NWCL.
6. Mr. Cheng Kar-Shing, Peter, who is a non-executive director of NWD and an executive director of NWCL, is acting in concert with the Offeror in relation to NWCL.
7. Dr. Cheng Chi-Kong, Adrian, who is an executive director of NWD and an executive director of NWCL, is acting in concert with the Offeror in relation to NWCL.
8. Ms. Cheng Chi-Man, Sonia, who is an executive director of NWD and an executive director of NWCL, is acting in concert with the Offeror in relation to NWCL.
9. Mr. Lee Luen-Wai, John, who is an independent non-executive director of NWD and an independent non-executive director of NWCL, is acting in concert with the Offeror in relation to NWCL.
10. Mr. Doo Wai-Hoi, William, who is a non-executive director of NWD, is acting in concert with the Offeror in relation to NWCL.
11. Mr. William Junior Guilherme Doo, who is the son of Mr. Doo Wai-Hoi, William, a non-executive director of NWD, and his spouse are acting in concert with the Offeror in relation to NWCL.
12. Ms. Ki Man-Fung, Leonie, who is an executive director of NWD, is acting in concert with the Offeror in relation to NWCL.
13. The total number of NWCL Shares (assuming that all NWCL Options are vested and exercised in full before the close of the Offers and that there is no other change in shareholding of NWCL before completion of the Offers) minus the aggregate number of NWCL Shares held by the Offeror and NWD equals the total number of Offer Shares (on the same assumptions).
14. All percentages in the above table are approximations.

Option Offer

As at the Announcement Date, there were 33,885,034 NWCL Options granted under the Share Option Schemes (including 20,060,200 NWCL Options which have not been vested on the Announcement Date), each giving the NWCL Optionholder the right to subscribe for one new NWCL Share. The exercise of such NWCL Options in full would result in the issue of 33,885,034 new NWCL Shares, representing approximately 0.39% of the issued share capital of NWCL as at the Announcement Date and approximately 0.39% of the issued share capital of NWCL as enlarged by the issue of such new NWCL Shares.

The Offeror will make (or procure to be made on its behalf) an appropriate offer, namely the Option Offer, to the NWCL Optionholders for the cancellation of every vested and unvested NWCL Option in accordance with Rule 13 of the Takeovers Code. The Option Offer will be conditional upon the Share Offer becoming or being declared unconditional in all respects. Under the Option Offer, the Offeror will offer the NWCL Optionholders the Option Offer Price in cash for cancellation of each NWCL Option that they hold.

The relevant exercise price applicable to each NWCL Option, which is set out in the tables below, ranges from HK\$2.45 to HK\$5.42.

NWCL Options under the share option scheme of NWCL adopted on 26 November 2002

NWCL Option exercise price (HK\$)	Option Offer Price (HK\$)	Total outstanding NWCL Options (vested and unvested)
3.036	4.764	7,035,681
2.705	5.095	226,880

NWCL Options under the share option scheme of NWCL adopted on 22 November 2011

NWCL Option exercise price (HK\$)	Option Offer Price (HK\$)	Total outstanding NWCL Options (vested and unvested)
2.45	5.35	2,068,760
3.37	4.43	121,500
3.88	3.92	2,512,980
3.35	4.45	1,683,990
2.762	5.038	644,000
4.01	3.79	859,100
3.97	3.83	3,001,743
4.72	3.08	840,000
4.42	3.38	481,200
4.968	2.832	10,360,800
5.42	2.38	914,000
4.504	3.296	3,134,400

Further information on the Option Offer will be set out in a letter to be despatched to the NWCL Optionholders at or around the same time as the despatch of the Composite Document.

If any NWCL Option is vested and is exercised in accordance with the terms of the Share Option Schemes prior to the Closing Date, any NWCL Shares issued as a result of the exercise of NWCL Options prior to the Closing Date will be subject to and eligible to participate in the Share Offer.

Pursuant to the terms of the Share Option Schemes, if the Share Offer becomes or is declared unconditional in all respects, the NWCL Optionholders shall be entitled to exercise the NWCL Options in full (to the extent not already exercised) at any time within 14 days after the date on which the Share Offer becomes or is declared unconditional in all respects. NWCL Options not exercised at the expiry of such 14-day period shall lapse.

Interests of the Offeror and the Offeror Concert Parties in NWCL Shares and NWCL Options

As at the Last Trading Day, the Offeror and the Offeror Concert Parties held 6,096,878,745 NWCL Shares in aggregate, representing approximately 70.13% of the total issued share capital of NWCL.

As at the Last Trading Day, the following Offeror Concert Parties held NWCL Options:

Name	Relationship with NWD	Number of NWCL Options
Dr. Cheng Kar-Shun, Henry	a director of NWD	2,077,922
Mr. Cheng Kar-Shing, Peter	a director of NWD	831,169
Dr. Cheng Chi-Kong, Adrian	a director of NWD	935,066
Mr. Lee Luen-Wai John	a director of NWD	311,688

Save as aforesaid, as at the Last Trading Day, the Offeror and the Offeror Concert Parties do not hold, control or have direction over any other NWCL Shares or hold any convertible securities, warrants, options or derivatives in respect of the NWCL Shares.

Further Agreements or Arrangements

As at the Announcement Date/Last Trading Day:

- (a) save for 33,885,034 NWCL Options, NWCL did not have in issue any warrants, options, derivatives, convertible securities or other securities convertible into NWCL Shares as at the Announcement Date;
- (b) the Offeror and the Offeror Concert Parties have not received any irrevocable commitment to accept the Offers;
- (c) save for 33,885,034 NWCL Options, there were no arrangements (whether by way of option, indemnity or otherwise) in relation to the NWCL Shares or other securities of NWCL or NWD and which might be material to any of the Offers;
- (d) the Offeror and the Offeror Concert Parties have not borrowed or lent any relevant securities of NWCL (as defined in Note 4 to Rule 22 of the Takeovers Code); and
- (e) there were no agreements or arrangements to which the Offeror was a party which relate to the circumstances in which it may or may not invoke or seek to invoke any Condition.

The Offeror and the Offeror Concert Parties had not dealt in the NWCL Shares, convertible securities, warrants, options or derivatives in respect of the NWCL Shares during the six-month period ended on the Announcement Date.

OVERSEAS NWCL SHAREHOLDERS

The making of (i) the Share Offer to certain NWCL Shareholders; and (ii) the Option Offer to certain NWCL Optionholders, who are citizens, residents or nationals of jurisdictions outside Hong Kong may be subject to the laws of the relevant jurisdictions. Such overseas NWCL Shareholders and overseas NWCL Optionholders should inform themselves about and observe any applicable legal, tax or regulatory requirements. It is the responsibility of any overseas NWCL Shareholders and overseas NWCL Optionholders wishing to take any action in relation to the Share Offer and the Option Offer, respectively, to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with any other necessary formalities and the payment of any issue, transfer or other taxes due in such jurisdiction. Any acceptance by such overseas NWCL Shareholders or overseas NWCL Optionholders will be deemed to constitute a representation and warranty from such persons to NWCL, NWD, the Offeror, and their respective advisers, including HSBC, the financial adviser to NWD and the Offeror, that those relevant laws and regulatory requirements in those jurisdictions have been complied with. If you are in doubt as to your position, you should consult your professional advisers.

In the event that the despatch of the Composite Document to overseas NWCL Shareholders or overseas NWCL Optionholders is prohibited by any relevant law or regulation or may only be effected after compliance with conditions or requirements that the directors of NWCL regard as unduly onerous or burdensome (or otherwise not in the best interests of NWCL or NWCL Shareholders), the Composite Document will not be despatched to such overseas NWCL Shareholders or overseas NWCL Optionholders. For that purpose, NWCL 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 Composite Document to such overseas NWCL Shareholders or overseas NWCL Optionholders. In granting the waiver, the Executive will be concerned to see that all material information in the Composite Document is made available to such overseas NWCL Shareholders and overseas NWCL Optionholders, as the case may be. If any such waiver is granted by the Executive, the Offeror reserves the right to make arrangements in respect of overseas NWCL Shareholders and overseas NWCL Optionholders in relation to the terms of the Offers. Such arrangements may include notifying any matter in connection with the Offers to overseas NWCL Shareholders and overseas NWCL Optionholders 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 causing difficulty for overseas NWCL Shareholders and overseas NWCL Optionholders to receive or see that notice.

TAXATION AND INDEPENDENT ADVICE

NWCL Shareholders and the NWCL Optionholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting the Share Offer or the Option Offer. It is emphasised that none of the Offeror, NWD, NWCL or HSBC, nor any of their respective directors, officers or associates or any other person involved in the Share Offer or the Option Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Share Offer or the Option Offer.

FURTHER TERMS OF THE OFFER

Acceptance of the Share Offer

Acceptance of the Share Offer by any person will constitute a warranty by such person or persons to the Offeror that the Offer Shares sold by such person or persons to the Offeror are free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights attached to them as at the Closing Date or subsequently becoming attached to them, including the right to receive in full all dividends and other distributions, if any, declared, made or paid on or after the Closing Date.

Acceptance of the Option Offer

Acceptance of the Option Offer by an NWCL Optionholder will constitute a warranty by such person or persons to the Offeror that the NWCL Options are free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature and will, subject to the Offers becoming or being declared unconditional in all respects, result in the cancellation of those relevant NWCL Options, together with all rights attaching thereto.

Hong Kong stamp duty

Seller's ad valorem stamp duty at a rate of 0.1% of the market value of the Offer Shares or consideration payable by the Offeror in respect of the relevant acceptances of the Share Offer, whichever is higher, will be deducted from the amount payable to the relevant NWCL Shareholder on acceptance of the Share Offer. The Offeror will arrange for payment of the stamp duty on behalf of accepting NWCL Shareholders in connection with the acceptance of the Share Offer and the transfer of the Offer Shares.

No stamp duty is payable in connection with the cancellation of the NWCL Options.

Close of the Offers

The latest time on which the Offeror can declare the Share Offer unconditional as to acceptances is 7:00 p.m. on the 60th day after the posting of the Composite Document (or such later date to which the Executive may consent).

If all the Conditions are satisfied (or waived, as applicable), NWCL Shareholders and the NWCL Optionholders will be notified by way of an announcement in accordance with the Takeovers Code and the Listing Rules as soon as practicable thereafter.

INTENTIONS OF NWD REGARDING THE NWCL GROUP

NWD intends to continue with the existing business of the NWCL Group upon the completion of the Offers and subject to market conditions, may explore various opportunities to further develop the existing business of the NWCL Group. NWD may also from time to time consider the need to fund such further development by debt and/or equity financing by NWCL, subject to the NWCL Group's business needs and prevailing market conditions. NWD does not currently intend to introduce significant changes to the existing operations of NWCL save for those changes which NWD may from time to time implement following the review of its strategic options relating to the business, structure and/or direction of the NWCL Group. It is also the current intention of NWD that the employment of the existing employees of the NWCL Group and the directorship of the existing directors of the NWCL Group should be continued following completion of the Offers except for changes which may occur in the ordinary course of business.

REASONS FOR, AND BENEFITS OF, THE OFFERS

The NWD Board and the Offeror Board believe that the Offers provide the following benefits to (i) the Independent NWCL Shareholders, (ii) NWCL and (iii) NWD and the holders of NWD Shares.

For the Independent NWCL Shareholders

(a) *Share Offer Price represents an attractive exit premium*

The Share Offer Price, being HK\$7.80 per Offer Share, is higher than the prevailing market price of NWCL Shares, representing a premium of approximately 25.6% over the closing price per NWCL Share of HK\$6.21 as quoted by the Stock Exchange on the Last Trading Day. It also represents a premium of approximately 40.8% and 56.9% over the average closing price of approximately HK\$5.54 and approximately HK\$4.97 per NWCL Share on the Stock Exchange for 30 and 180 consecutive trading days up to and including the Last Trading Day, respectively. Also, the Share Offer Price represents a premium of approximately 14.7% over the cancellation price of HK\$6.80 under the Previous Proposal.

During the one-year period ended on and including the Last Trading Day, the lowest and highest closing prices per NWCL Share on the Stock Exchange were HK\$3.89 and HK\$6.23, respectively, with a simple average closing price of approximately HK\$4.95. The Share Offer Price represents a premium of approximately 57.6% to the simple average closing price and a premium of approximately 25.2% to the highest closing price in the above period.

In addition, the Share Offer Price implies an attractive valuation in comparison to the consolidated net asset value per NWCL Share, as NWCL Shares have habitually traded at a larger discount. The Share Offer Price represents a premium of approximately 11.5% over the consolidated net asset value per NWCL Share of HK\$6.995 as at 30 June 2015 (based on the consolidated net asset value of NWCL attributable to NWCL Shareholders as at 30 June 2015 divided by the number of NWCL Shares in issue as at 30 June 2015).

The Share Offer Price was determined after taking into account, among other things, the trading prices of NWCL Shares, the trading multiples of comparable companies and with reference to other privatisation transactions in Hong Kong in recent years.

(b) *An opportunity for Independent NWCL Shareholders to monetise NWCL Shares*

The Share Offer provides an opportunity for the holders of the Offer Shares to dispose of their NWCL Shares and receive cash at a price significantly above the prevailing market price. In light of the low liquidity of NWCL Shares, it is difficult for the holders of the Offer Shares to realise their Offer Shares in the stock market without adversely affecting the market price of NWCL Shares. The Share Offer also affords the holders of the Offer Shares the opportunity, if they so wish, to realise their investments in NWCL and invest the monies received in alternative investments or use them for other purposes.

(c) *The Independent NWCL Shareholders unlikely to receive comparable or better offer from other third party*

NWCL is an integral part of the NWD Group and NWD has maintained majority voting control in NWCL since NWCL's initial public offering in 1999. It is highly unlikely that another third party will seek to acquire the Offer Shares at a price comparable to or better than the Offer.

For NWCL

NWCL will require substantial funding for its future developments. Without being subject to the requirements relevant to being run as a standalone listed public company, NWCL will be able to fund larger property development projects through leveraging NWD'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 NWD, the provision of intra-group funding from NWD to NWCL will be facilitated. Due to the low liquidity of the NWCL Shares and the discount to the net asset value per NWCL Share of its trading price on the Stock Exchange, the public equity capital market does not provide NWCL a viable funding alternative.

For NWD and the holders of NWD Shares

(a) *Reinforcing the strategic positioning of the PRC property business within the NWD Group by removing the non-compete undertaking with NWCL*

The privatisation of NWCL will allow NWD to invest directly into the PRC property business.

The PRC property market is a core geographical focus of the NWD Group but one in which NWD itself can currently only invest in indirectly via NWCL as NWD gave a non-compete undertaking to NWCL at the time of NWCL's spin-off listing on the Stock Exchange in 1999. Pursuant to the undertaking, NWCL's business is separate and distinct from NWD's business such that NWD focuses on the Hong Kong property market while NWCL focuses on the PRC property market. The undertaking provides that NWD shall not compete with the PRC property development and investment activities of NWCL, nor shall NWD acquire or hold any land or real estate properties in the PRC, except for certain circumstances carved out in the undertaking. The privatisation of NWCL will remove the above undertaking and allow NWD to invest directly.

Having NWCL as a wholly owned subsidiary would provide NWD with the ability to formulate more holistic investment strategies for the NWD Group as a whole and allow NWD to deploy its resources directly across Hong Kong and the PRC in suitable opportunities and in a more flexible manner. This would facilitate NWD to accelerate the development of the NWD Group's land bank in the PRC. It would also better position the NWD Group to take on large-scale development projects in the PRC which typically require substantial funding. With a larger balance sheet, and its expertise in property and other sectors, NWD can be beneficial in securing new investments for the NWD Group in the PRC property market, including by way of land acquisitions and collaboration with business partners in the PRC.

(b) *More advantageous financing and coordinated internal treasury management*

Given the larger asset size and equity base of NWD compared to NWCL, NWD expects it can secure financing on more favourable terms than NWCL. If NWCL becomes a wholly owned unlisted subsidiary of NWD this will provide enhanced flexibility for the central management of the NWD Group's treasury functions and thereby the ability to secure the lowest possible funding costs across the NWD Group's property businesses including those in the PRC.

(c) *Streamlined management structure and enhanced sharing of expertise*

A streamlined management structure for the NWD Group's property businesses in Hong Kong and the PRC can be achieved after privatising NWCL, which will help enhance corporate efficiency and create synergies. Better functional coordination and the sharing of expertise can be facilitated internally, including design and architecture, sales and marketing, as well as property leasing and management. This has become of greater value than was historically the case as the PRC property market has matured, and will help accelerate the replication between the PRC and HK markets of successful concepts such as the K11 art mall and further strengthen the "New World" brand image in the two core markets.

INFORMATION ON NWCL

NWCL is a company incorporated in the Cayman Islands with limited liability, the shares of which have been listed on the Main Board of the Stock Exchange since July 1999 with the stock code 0917.

NWCL is the flagship property arm of NWD in the PRC and is one of the large-scale national developers in the PRC with audited consolidated total assets of approximately HK\$134,427,540,000 as at 30 June 2015. The audited consolidated net profits before and after taxation and extraordinary items of NWCL for the year ended 30 June 2015 were approximately HK\$6,422,415,000 and approximately HK\$3,504,080,000 respectively and the audited consolidated net profits before and after taxation and extraordinary items of NWCL for the year ended 30 June 2014 were approximately HK\$9,107,119,000 and approximately HK\$4,939,963,000 respectively. NWCL Group's development portfolio comprises 30 major projects spanning over 24 large cities or major transportation hubs as at 30 June 2015.

NWCL Group develops property projects for sale, develops and manages investment properties for rental purposes, and operates resort and hotel projects. Its property projects encompass residential estates, serviced apartments, villas, offices, shopping centres, mixed use comprehensive buildings, hotels and resorts. NWCL Group has undertaken urban redevelopment projects in the old city centre of Beijing and Tianjin, and is the developer of landmark commercial complexes in Beijing, Shanghai, Wuhan, Tianjin and Dalian and large-scale residential communities in Shenyang, Wuhan, Guangzhou and Changsha.

INFORMATION ON THE OFFEROR AND NWD

The Offeror is a wholly owned subsidiary of NWD. NWD is the parent company of NWCL and a company incorporated in Hong Kong with limited liability, the shares of which have been listed on the Main Board of the Stock Exchange since 1972 with the stock code 0017. It is a constituent stock of the Hong Kong Hang Seng Index with a total audited consolidated net asset value of approximately HK\$178,918.6 million as at 30 June 2015.

NWD Group is a leading property development company based in Hong Kong. NWD was founded in 1970 and for more than four decades NWD Group has expanded its business portfolio from a single focus on the property business to five core areas, comprising property, infrastructure, services, hotel and department store in Hong Kong and the PRC.

NWD Group is also involved in direct investment and an array of other businesses, including telecommunications.

DESPATCH OF COMPOSITE DOCUMENT

The Composite Document containing, among other things, further details of the Offers, the expected timetable, information regarding NWCL, a property valuation report of NWCL's properties, recommendations from the NWCL Independent Board Committee with respect to the Offers, and the advice of the NWCL Independent Financial Adviser to the NWCL Independent Board Committee, will be despatched to NWCL Shareholders and the NWCL Optionholders as soon as practicable and in compliance with the requirements of the Takeovers Code and other applicable laws and regulations.

A letter containing the details of the Option Offer will also be despatched to the NWCL Optionholders at or around the same time as the despatch of the Composite Document.

The aggregate percentage holding in NWCL Shares of the Offeror and the Offeror Concert Parties will also be disclosed in the Composite Document, together with information on their dealings for value in NWCL Shares (if any) during the period commencing six months prior to the Announcement Date and ending with the latest practicable date for ascertaining information in the Composite Document.

Any acceptance or other response to the Share Offer or the Option Offer should be made only on the basis of information in the Composite Document or any other document by which the Share Offer or the Option Offer is made.

LISTING RULES IMPLICATION FOR NWD

If the Offers are completed on the proposed terms, they will constitute a major transaction for NWD under Chapter 14 of the Listing Rules.

Possible major transaction

As one or more of the Applicable Percentage Ratios in respect of the Offers will exceed 25% and all of those Applicable Percentage Ratios will be less than 100%, the implementation of the Offers will constitute a major transaction for NWD under Chapter 14 of the Listing Rules which is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules. A circular of NWD containing, among others, details of the Offers, information regarding NWCL and a notice to convene an extraordinary general meeting of NWD for considering and, if thought fit, approving the Offers, will be despatched to the shareholders of NWD. As more time is required for preparing the information to be contained in such circular of NWD, it is expected that such circular will be despatched to the shareholders of NWD on or about 29 February 2016.

The shareholders of NWD who have a material interest in the Offers and their close associates will be required to abstain from voting on the resolution approving the Offers at the extraordinary general meeting of NWD.

Each of Dr. Cheng Kar-Shun, Henry, Mr. Cheng Kar-Shing, Peter, Mr. Doo Wai-Hoi, William and Ms. Ki Man-Fung, Leonie, being directors of NWD, and/or their respective close associates who own NWD Shares, and are interested in NWCL Shares and/or NWCL Options, will abstain from voting on the relevant resolution(s) approving the Offers at the extraordinary general meeting of NWD.

Chow Tai Fook Enterprises Limited and its subsidiaries, which hold an aggregate of 4,065,083,926 NWD Shares, representing approximately 43.87% of the total issued NWD Shares, will be entitled to vote on the relevant resolution(s) approving the Offers at the extraordinary general meeting of NWD. Chow Tai Fook Enterprises Limited intends to, and procure its subsidiaries to, vote all their NWD Shares for such resolution(s).

Fully exempt de minimis connected transactions

As at the Announcement Date, a number of connected persons of NWD under the Listing Rules were interested in NWCL Shares and/or NWCL Options. The expected maximum aggregate payment of approximately HK\$105.2 million by the Offeror comprising the Share Offer Price and the Option Offer Price payable to the aforesaid connected persons for the acquisition of their respective interests in the Offer Shares and the NWCL Options will constitute connected transactions for NWD under Chapter 14A of the Listing Rules. Such possible connected transactions will be fully exempt de minimis transactions as all of the Applicable Percentage Ratios in respect of such maximum aggregate payment of Share Offer Price and Option Offer Price by the Offeror to these connected persons of NWD are less than 0.1% (in the case of connected persons of NWD other than those persons connected at the subsidiary level only) (such maximum aggregate payment of Share Offer Price and Option Offer Price being approximately HK\$53.2 million) or 1% (in the case of those connected persons of NWD connected at the subsidiary level only) (such maximum aggregate payment of Share Offer Price and Option Offer Price being approximately HK\$52.0 million).

To the best knowledge, information and belief of the directors of NWD, having made all reasonable enquiries of NWCL Shareholders, save for the connected persons of NWD mentioned above, the NWCL Shareholders and the NWCL Optionholders are third parties independent of NWD and its connected persons.

NWD Board's approval

The directors (including the independent non-executive directors) of NWD believe the terms of the Share Offer and the Option Offer are fair and reasonable and in the interests of the shareholders of NWD as a whole.

Dr. Cheng Kar-Shun, Henry, Dr. Cheng Chi-Kong, Adrian, Ms. Ki Man-Fung, Leonie, Mr. Cheng Chi-Heng, Mr. Doo Wai-Hoi, William, Mr. Cheng Kar-Shing, Peter and Mr. Lee Luen-Wai, John, being directors of NWD who or whose associates (as the case may be) are interested in the Share Offer and/or the Option Offer, have abstained from voting in respect of the board resolutions of NWD in relation to the Offers. Ms. Cheng Chi-Man, Sonia, being a daughter of Dr. Cheng Kar-Shun, Henry, was absent from the board meeting and did not vote on any resolution in respect of the Offers.

NWD's independent financial adviser

NWD and the Offeror have engaged Quam Capital Limited as their independent financial adviser pursuant to Rule 2.4 of the Takeovers Code and Quam Capital Limited has indicated that having taken into account, among others, the Share Offer Price and the Option Offer Price, the benefits of implementation of the Offers from the perspective of NWD and its shareholders (as set out in the section headed "Reasons for, and benefits of, the Offers" above) and the financial impacts of the Offers on NWD and the Offeror, it considers that the Share Offer and the Option Offer are in the

interests of the respective shareholders of NWD and the Offeror. The full advice of Quam Capital Limited will be included in the circular of NWD which will be despatched to the shareholders of NWD in connection with the Offers.

NWCL Board's Approval

The executive directors of NWCL believe that the terms of the Offers are fair and reasonable and in the interests of the NWCL Shareholders and the NWCL Optionholders as a whole.

Dr. Cheng Kar-Shun, Henry, Mr. Cheng Kar-Shing, Peter, Dr. Cheng Chi-Kong, Adrian, Ms. Cheng Chi-Man, Sonia and Mr. Lee Luen-Wai, John are also directors of NWD. Each of them (other than Ms. Cheng Chi-Man, Sonia who is absent from the board meeting to consider the Offers), and Mr. Cheng Chi-Him, Conrad, the son of Mr. Cheng Kar-Shing, Peter, have abstained from voting in respect of the board resolutions of NWCL in relation to the Offers.

DISCLOSURE OF DEALINGS

Associates of the Offeror, NWCL or NWD (as defined in the Takeovers Code, including shareholders holding 5% or more of the relevant securities (as defined in paragraphs (a) to (d) in Note 4 to Rule 22 of the Takeovers Code) of the Offeror, NWCL or NWD) are hereby reminded to disclose their dealings in any securities of NWCL under Rule 22 of the Takeovers Code during the offer period.

In accordance with Rule 3.8 of the Takeovers Code, reproduced below is the full text of Note 11 to Rule 22 of the Takeovers Code:

“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 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. 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 \$1 million.

This dispensation does not alter the obligations 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.”

PRECAUTIONARY LANGUAGE REGARDING FORWARD-LOOKING STATEMENTS

This announcement includes certain “forward-looking statements”. These statements are based on the current expectations of the management of the Offeror, NWD and/or NWCL (as the case may be) and are naturally subject to uncertainty and changes in circumstances.

Forward-looking statements include, without limitation, statements typically containing words such as “intends”, “expects”, “anticipates”, “targets”, “estimates”, “envisages” and words of similar import. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. These factors include, but are not limited to, the satisfaction of the Conditions, as well as additional factors, such as general, social, economic and political conditions in the countries in which NWD Group and/or NWCL Group operate or other countries which have an impact on NWD Group and/or NWCL Group’s business activities or investments, interest rates, the monetary and interest rate policies of the countries in which NWD Group and/or NWCL Group operate, inflation or deflation, foreign exchange rates, the performance of the financial markets in the countries in which NWD Group and/or NWCL Group operate and globally, changes in domestic and foreign laws, regulations and taxes, changes in competition and the pricing environments in the countries in which NWD Group and/or NWCL Group operate and regional or general changes in asset valuations. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements.

All written and oral forward-looking statements attributable to the Offeror, NWD, NWCL or persons acting on behalf of any of them are expressly qualified in their entirety by the cautionary statements above. The forward-looking statements included herein are made only as of the Announcement Date. Subject to the requirement of applicable laws, rules and regulations, including the Takeovers Code, none of NWD, NWCL or the Offeror assumes any obligation to correct or update the forward-looking statements or opinions contained in this announcement.

GENERAL

NWD and the Offeror have appointed HSBC as their financial adviser in connection with the Offers.

SUSPENSION AND RESUMPTION OF TRADING IN NWD SHARES, NWD BONDS, NWCL SHARES AND NWCL BONDS

At the request of NWD, trading in NWD Shares (stock code: 0017) and NWD Bonds (stock codes: 04315, 05582 and 06029) on the Stock Exchange was halted from 9:00 a.m. on 4 January 2016 pending the release of this announcement. An application has been made by NWD to the Stock Exchange for the resumption of trading in NWD Shares (stock code: 0017) and NWD Bonds (stock codes: 04315, 05582 and 06029) on the Stock Exchange with effect from 9:00 a.m. on 6 January 2016.

At the request of NWCL, trading in NWCL Shares (stock code: 0917) and NWCL Bonds (stock codes: 85914 and 05824) on the Stock Exchange was suspended from 9:00 a.m. on 4 January 2016 pending the release of this announcement. An application has been made by NWCL to the Stock Exchange for the resumption of trading in NWCL Shares (stock code: 0917) and NWCL Bonds (stock codes: 85914 and 05824) on the Stock Exchange with effect from 9:00 a.m. on 6 January 2016.

Notice to US investors

The receipt of cash pursuant to the Offer by a US holder of the Offer Shares or the NWCL Optionholders pursuant to the Offer may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other tax laws. Each holder of the Offer Shares is urged to consult his independent professional adviser immediately regarding the tax consequences of the Offer applicable to him.

It may be difficult for US holders of Offer Shares to enforce their rights and claims arising out of the US federal securities laws, since NWD, the Offeror and NWCL are located in a country other than the United States, and some or all of their officers and directors may be residents of a country other than the United States. US holders of the Offer Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of the US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgement.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise.

“Announcement Date”	means 6 January 2016, being the date of this announcement;
“Applicable Percentage Ratios”	means the percentage ratios (all as defined in Rule 14.04(9) of the Listing Rules) applicable to the Offers in accordance with Chapter 14 and 14A of the Listing Rules;
“associates”	has the meaning ascribed to it in the Listing Rules or Takeovers Code (as the case may be);

“Business Day”	means a day on which the Stock Exchange is open for the transaction of business;
“Cayman Islands Companies Law”	means the Companies Law Cap. 22 (Law 3 of 1961), as consolidated and revised of the Cayman Islands;
“close associate”	has the meaning ascribed to it in the Listing Rules;
“Closing Date”	means the date to be stated in the Composite Document as the first closing date of the Share Offer or any subsequent closing date as may be announced by NWD and the Offeror and approved by the Executive;
“Composite Document”	means the composite document to be jointly issued by the Offeror and NWCL to the NWCL Shareholders in connection with the Offers in accordance with the Takeovers Code;
“Condition(s)”	means the condition(s) of the Offers, as set out under the section headed “Conditions of the Offers” of this announcement;
“Disinterested NWCL Shares”	means NWCL Shares other than those which are owned by the Offeror or the Offeror Concert Parties;
“Disposals”	the disposals of certain subsidiaries and joint ventures by a wholly owned subsidiary of NWCL to a wholly owned subsidiary of Evergrande Real Estate Group Limited for an aggregated consideration of approximately RMB20,800 million (subject to adjustments), further details of which are set out in the joint announcement of NWD and NWCL dated 2 December 2015, the circular of NWCL dated 23 December 2015 and the joint announcement of NWD and NWCL dated 29 December 2015;
“Executive”	means the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director;
“Great Worth”	means Great Worth Holdings Limited, a non-wholly owned subsidiary of NWD;
“High Earnings”	means High Earnings Holdings Limited, a wholly owned subsidiary of NWS;
“HK\$”	means Hong Kong dollar(s), the lawful currency of Hong Kong;
“Hong Kong”	means the Hong Kong Special Administrative Region of the PRC;

“HSBC”	means The Hongkong and Shanghai Banking Corporation Limited, being the financial adviser to NWD and the Offeror in relation to the Offers, a registered institution under the SFO, registered to carry on Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO and a licensed bank under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong);
“Independent NWCL Shareholders”	means NWCL Shareholders other than the Offeror, NWD and the Offeror Concert Parties. For the avoidance of doubt, the Independent NWCL Shareholders include any member of the HSBC group in respect of NWCL Shares of its non-discretionary investment clients where such client (a) has control over whether to tender acceptances to the Share Offer in respect of those NWCL Shares, (b) if acceptances of the Share Offer in respect of those NWCL Shares are to be tendered, gives instructions to tender them, and (c) is not the Offeror or any of the Offeror Concert Parties;
“Last Trading Day”	means 31 December 2015, being the last trading day of NWCL Shares prior to the issue of this announcement;
“Listing Rules”	means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“NWCL”	means New World China Land Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the main board of the Stock Exchange (stock code: 0917);
“NWCL Board”	means the board of directors of NWCL;
“NWCL Bonds”	means bonds and notes issued by NWCL with the stock codes 85914 and 05824, respectively;
“NWCL Group”	means collectively NWCL and its subsidiaries;
“NWCL Independent Board Committee”	means the independent board committee of NWCL, comprising Dr. Cheng Wai-Chee, Christopher, Hon. Tien Pei-Chun, James and Mr. Ip Yuk-Keung, Albert, established by the NWCL Board to make a recommendation to the Independent NWCL Shareholders and the NWCL Optionholders in respect of the Offers;

“NWCL Independent Financial Adviser”	means the independent financial adviser to the NWCL Independent Board Committee to be appointed by the NWCL Board (with the approval of the NWCL Independent Board Committee) to advise the NWCL Independent Board Committee in connection with the Offers;
“NWCL Option(s)”	means the outstanding, vested and unvested, share option(s), each relating to NWCL Share(s), granted under the Share Option Schemes from time to time;
“NWCL Optionholder(s)”	means holder(s) of the NWCL Options;
“NWCL Shareholder(s)”	means a registered holder for the time being of NWCL Share(s);
“NWCL Shares”	means ordinary shares of HK\$0.10 each in the issued share capital of NWCL;
“NWD”	means New World Development Company Limited (新世界發展有限公司), a company incorporated in Hong Kong with limited liability, the issued shares of which are listed on the main board of the Stock Exchange (stock code: 0017);
“NWD Board”	means the board of directors of NWD;
“NWD Bonds”	means bonds issued by NWD’s wholly owned subsidiary, Fita International Limited and guaranteed by NWD with the stock code 04315 and notes issued by NWD’s wholly owned subsidiary, NWD (MTN) Limited, and guaranteed by NWD with the stock codes 05582 and 06029;
“NWD Group”	means collectively NWD and its subsidiaries;
“NWD Shares”	means shares of NWD;
“NWS”	means NWS Holdings Limited, a non-wholly owned subsidiary of NWD and the issued shares of which are listed on the main board of the Stock Exchange (stock code: 0659);
“Offer Share(s)”	means NWCL Share(s), other than those already held by the Offeror and NWD;
“Offeror”	means Easywin Enterprises Corporation Limited (義榮企業有限公司), a company incorporated in Hong Kong with limited liability, being a wholly owned subsidiary of NWD;
“Offeror Board”	means the board of directors of the Offeror;

“Offeror Concert Parties”	means parties acting in concert with the Offeror in relation to NWCL (except for members of the HSBC group which are exempt principal traders and/or exempt fund managers, in each case recognised by the Executive as such for the purposes of the Takeovers Code) under the Takeovers Code;
“Offers”	means the Share Offer and the Option Offer;
“Option Offer”	means an appropriate offer to be made by the Offeror to the NWCL Optionholders in compliance with Rule 13 of the Takeovers Code to cancel all the outstanding NWCL Options held by the NWCL Optionholders in accordance with the terms set out in this announcement;
“Option Offer Price”	means the price at which the Option Offer will be made, which is the “see-through” price being the Share Offer Price minus the relevant exercise price of the NWCL Options for the cancellation of each NWCL Option held by the NWCL Optionholders;
“PRC”	means the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region and the Republic of Taiwan);
“SFC”	means the Securities and Futures Commission of Hong Kong;
“SFO”	means the Securities and Futures Ordinance (Chapters 571 of the Laws of Hong Kong);
“Share Offer”	means the voluntary conditional cash offer by the Offeror to acquire all of the Offer Shares in accordance with the terms and conditions set out in this announcement;
“Share Offer Price”	means the price at which the Share Offer will be made, being HK\$7.80 per Offer Share;
“Share Option Schemes”	means the share option schemes adopted by NWCL on 26 November 2002 and 22 November 2011 respectively;
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited;
“subsidiaries”	has the meaning ascribed to it in the Listing Rules;

“Takeovers Code” means The Codes on Takeovers and Mergers and Share Buy-backs published by the SFC and administrated by the Executive; and

“%” means per cent.

By order of the board of directors of
New World Development Company Limited
(新世界發展有限公司)
Dr. Cheng Kar-Shun, Henry
Chairman

By order of the board of directors of
New World China Land Limited
Dr. Cheng Kar-Shun, Henry
Chairman and Managing Director

By order of the board of directors of
Easywin Enterprises Corporation Limited
(義榮企業有限公司)
Dr. Cheng Kar-Shun, Henry
Director

Hong Kong, 6 January 2016

As at the Announcement Date, the Offeror Board comprises Dr. Cheng Kar-Shun, Henry, Mr. Chen Guanzhan and Mr. Au Tak-Cheong.

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to NWCL Group) and confirm, having made all reasonable enquires, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by NWCL 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 statements in this announcement misleading.

As at the Announcement Date, the NWD Board comprises (a) seven executive directors, namely Dr. Cheng Kar-Shun, Henry, Dr. Cheng Chi-Kong, Adrian, Mr. Chen Guanzhan, Ms. Ki Man-Fung, Leonie, Mr. Cheng Chi-Heng, Ms. Cheng Chi-Man, Sonia and Mr. Au Tak-Cheong; (b) two non-executive directors, namely Mr. Doo Wai-Hoi, William and Mr. Cheng Kar-Shing, Peter; and (c) five independent non-executive directors, namely Mr. Yeung Ping-Leung, Howard, Mr. Cha Mou-Sing, Payson (alternate director to Mr. Cha Mou-Sing, Payson: Mr. Cha Mou-Zing, Victor), Mr. Ho Hau-Hay, Hamilton, Mr. Lee Luen-Wai, John and Mr. Liang Cheung-Biu, Thomas.

The directors of NWD jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to NWCL Group) and confirm, having made all reasonable enquires, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by NWCL 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 statements in this announcement misleading.

As at the Announcement Date, the NWCL Board comprises (a) seven executive directors, namely Dr. Cheng Kar-Shun, Henry, Mr. Cheng Kar-Shing, Peter, Dr. Cheng Chi-Kong, Adrian, Ms. Cheng Chi-Man, Sonia, Mr. Cheng Chi-Him, Conrad, Mr. Fong Shing-Kwong, Michael and Ms. Ngan Man-Ying, Lynda; and (b) four independent non-executive directors, namely Dr. Cheng Wai-Chee, Christopher, Hon. Tien Pei-Chun, James, Mr. Lee Luen-Wai, John and Mr. Ip Yuk-Keung, Albert.

The directors of NWCL jointly and severally accept full responsibility for the accuracy of the information contained in this announcement relating to the NWCL Group and confirm, having made all reasonable enquires, that to the best of their knowledge, opinions expressed in this announcement by NWCL 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 statements in this announcement misleading.