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新世界發展有限公司

New World Development Company Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 0017)



New World China Land Limited

新世界中國地產有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0917)

Easywin Enterprises Corporation Limited

(Incorporated in Hong Kong with limited liability)

JOINT ANNOUNCEMENT

**(1) PROPOSED PRIVATISATION OF NEW WORLD CHINA LAND LIMITED
BY THE OFFEROR**

**BY WAY OF A SCHEME OF ARRANGEMENT
(UNDER SECTION 86 OF THE COMPANIES LAW)**

**(2) PROPOSED WITHDRAWAL OF LISTING OF
NEW WORLD CHINA LAND LIMITED**

**(3) POSSIBLE MAJOR TRANSACTION AND POSSIBLE CONNECTED
TRANSACTIONS FOR NEW WORLD DEVELOPMENT COMPANY LIMITED
AND**

**(4) RESUMPTION OF TRADING IN NWD SHARES, NWD BONDS,
NWCL SHARES AND NWCL BONDS**

Financial Adviser to the Offeror



Independent Financial Adviser to NWD and the Offeror



INTRODUCTION

The respective directors of the Offeror, NWD and NWCL jointly announce that on 12 March 2014, the Offeror, a wholly-owned subsidiary of NWD, requested the board of directors of NWCL to put forward the Proposal to the Scheme Shareholders regarding the proposed privatisation of NWCL by way of a scheme of arrangement under Section 86 of the Companies Law.

TERMS OF THE PROPOSAL

Under the Proposal, the Scheme Shares will be cancelled in exchange for the payment by the Offeror to each Scheme Shareholder of the Cancellation Price of HK\$6.80 in cash for each Scheme Share. **The Cancellation Price will not be increased, and the Offeror does not reserve the right to do so.**

The Cancellation Price represents:

- a premium of approximately 32.3% over the closing price of HK\$5.14 per NWCL Share as quoted on the Stock Exchange on the Last Trading Day;
- a premium of approximately 36.3% over the average closing price of approximately HK\$4.99 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the 5 trading days up to and including the Last Trading Day;
- a premium of approximately 42.2% over the average closing price of approximately HK\$4.78 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the 10 trading days up to and including the Last Trading Day;
- a premium of approximately 53.7% over the average closing price of approximately HK\$4.42 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day;
- a premium of approximately 64.3% over the average closing price of approximately HK\$4.14 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days up to and including the Last Trading Day;
- a premium of approximately 78.0% over the average closing price of approximately HK\$3.82 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the 180 trading days up to and including the Last Trading Day; and
- a premium of approximately 1.8% to the unaudited consolidated net asset value per NWCL Share of approximately HK\$6.68 as at 31 December 2013.

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

NWCL Shareholders should also note that, as shown on the unaudited financial statements of NWCL as at 31 December 2013, 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 unaudited financial statements may or may not reflect the current market value of these assets.

CONDITIONS OF THE PROPOSAL AND THE SCHEME

The Proposal and the Scheme will be conditional upon the fulfillment or waiver, as applicable, of all the Conditions on or before the Long Stop Date (or such later date as the Offeror, NWCL and HSBC may agree or, to the extent applicable, as the Grand Court may direct and in all cases, as permitted by the Executive), failing which the Proposal and the Scheme will lapse.

SHAREHOLDING STRUCTURE OF NWCL AND SCHEME SHARES

As at the Announcement Date, the authorised share capital of NWCL was HK\$3,000,000,000.00 divided into 30,000,000,000 NWCL Shares of HK\$0.10 each, and the issued share capital of NWCL was HK\$867,666,317.5 divided into 8,676,663,175 NWCL Shares of HK\$0.10 each. There were no preference shares of NWCL in issue.

As at the Announcement Date, the Offeror held 255,041,727 NWCL Shares representing approximately 2.94% of the issued share capital of NWCL. Such NWCL Shares will not form part of the Scheme Shares and will not be voted on the Scheme at the Court Meeting. As at the Announcement Date, the Offeror Concert Parties held in aggregate 5,995,446,770 NWCL Shares, representing approximately 69.10% of the issued share capital of NWCL. Of these Offeror Concert Parties, NWCL Shares held by NWD, the parent company of the Offeror, will not form part of the Scheme Shares and will not be voted on the Scheme at the Court Meeting. NWCL Shares held by the remaining Offeror Concert Parties will form part of the Scheme Shares and will be cancelled upon the Scheme becoming effective, but such Offeror Concert Parties will abstain from voting on the Scheme at the Court Meeting.

OTHER SECURITIES

As at the Announcement Date, there were 36,076,602 NWCL Options (including 19,860,545 NWCL Options that have not been vested on the Announcement Date). The exercise of such NWCL Options in full would result in the issue of 36,076,602 new NWCL Shares, representing approximately 0.42% of the issued share capital of NWCL as at the Announcement Date and approximately 0.41% 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 Rule 13 Offer, to the holders of NWCL Options for the cancellation of every vested and unvested NWCL Option in accordance with Rule 13 of the Takeovers Code. The Rule 13 Offer will be conditional upon the Scheme becoming effective.

FINANCIAL RESOURCES

The Offeror intends to finance the cash required for the Proposal and the Rule 13 Offer from a credit facility granted by HSBC (in its capacity as lender).

On the assumption that no NWCL Options are exercised before the Effective Date, the amount of cash required to implement the Proposal (before taking into account the Rule 13 Offer) would be approximately HK\$18,358 million. On the assumption that all NWCL Options are vested and exercised in full before the Effective Date, the amount of cash required for the Proposal would be approximately HK\$18,603 million.

On the assumption that no NWCL Options are exercised before the Effective Date, the amount of cash required to implement the Rule 13 Offer to be made would be approximately HK\$128 million.

HSBC, the financial adviser to the Offeror, is satisfied that sufficient financial resources are available to the Offeror for the payment in full of the cash consideration payable under the Proposal and the Rule 13 Offer in accordance with their respective terms.

WITHDRAWAL OF LISTING OF NWCL SHARES

NWCL will apply to the Stock Exchange for the withdrawal of the listing of NWCL Shares on the Stock Exchange, in accordance with Rule 6.15 of the Listing Rules, immediately following the Effective Date. A detailed timetable for the implementation of the Proposal will be included in the Scheme Document.

IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES

If the Scheme is not approved or the Proposal otherwise lapses, the listing of NWCL Shares on the Stock Exchange will not be withdrawn.

If the Scheme is not approved or the Proposal otherwise lapses, there are restrictions under the Takeovers Code on making subsequent offers, to the effect that neither the Offeror nor any person who acted in concert with it in the course of the Proposal (nor any person who is subsequently acting in concert with any of them) may within 12 months from the date on which the Scheme is not approved or the Proposal otherwise lapses announce an offer or possible offer for NWCL, except with the consent of the Executive.

NWCL INDEPENDENT BOARD COMMITTEE

The board of directors of NWCL has established 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 advise the Independent NWCL Shareholders and the holders of NWCL Options as to (i) whether the Proposal and the Rule 13 Offer are, or are not, fair and reasonable; and (ii) whether to vote in favour of the Scheme at the Court Meeting and the extraordinary general meeting of NWCL.

The remaining independent non-executive director of NWCL, 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 NWCL Independent Board Committee.

NWCL Independent Financial Adviser will be appointed (with the approval of NWCL Independent Board Committee) to advise NWCL Independent Board Committee in connection with the Proposal and the Rule 13 Offer. A further announcement will be made after the appointment of NWCL Independent Financial Adviser.

DISPATCH OF SCHEME DOCUMENT

The Scheme Document containing, among other things, further details of the Proposal and the Scheme, the Rule 13 Offer, the expected timetable, an explanatory memorandum as required under the Companies Law and the Rules of the Grand Court, information regarding NWCL, recommendations from NWCL Independent Board Committee with respect to the Proposal and the Rule 13 Offer, and the advice of NWCL Independent Financial Adviser to NWCL Independent Board Committee, a notice of the Court Meeting and a notice of an extraordinary general meeting of NWCL, together with related proxies, will be dispatched to NWCL Shareholders and holders of NWCL Options as soon as practicable and in compliance with the requirements of the Takeovers Code and the Grand Court, and other applicable laws and regulations.

POSSIBLE MAJOR TRANSACTION AND POSSIBLE CONNECTED TRANSACTIONS OF NWD

If the Proposal and the Rule 13 Offer are completed on the proposed terms, they will constitute a major transaction and connected transactions for NWD under the Listing Rules.

As one or more of the Applicable Percentage Ratios in respect of the Proposal and the Rule 13 Offer will exceed 25% and all of those Applicable Percentage Ratios will be less than 100%, implementation of the Proposal and the Rule 13 Offer will constitute a major transaction for NWD under the Listing Rules. A circular of NWD containing, among others, details of the Proposal and the Rule 13 Offer, information regarding NWCL and a notice to convene an extraordinary general meeting of NWD for considering, and if thought fit, approving the Proposal and the Rule 13 Offer will be dispatched 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 dispatched to the shareholders of NWD on or about 22 April 2014.

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 aggregate payment of HK\$1,107 million by the Offeror of: (i) the Cancellation Price (on the basis of their respective interests in NWCL Shares as at the Announcement Date) to the aforesaid connected persons in consideration for the cancellation of their respective interests in NWCL Shares; and (ii) the “see-through” price (being the Cancellation Price minus the relevant exercise price of NWCL Options, and on the basis of their respective interests in NWCL Options as at the Announcement Date) to the aforesaid connected persons in consideration for the cancellation of their respective interests in NWCL Options, will constitute connected transactions for NWD under the Listing Rules. Such possible connected transactions will be subject to the reporting and announcement requirements but will be exempted from the independent shareholders’ approval requirement under Chapter 14A of the Listing Rules as one or more of the Applicable Percentage Ratios in respect of such aggregate payment by the Offeror of the Cancellation Price and the “see-through” price to these connected persons of NWD will exceed 0.1% but all those Applicable Percentage Ratios will be less than 5%.

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

At the request of NWD, trading in NWD Shares and NWD Bonds on the Stock Exchange was suspended from 9:00 a.m. on 11 March 2014 pending issuance of this announcement. An application has been made by NWD to the Stock Exchange for the resumption of trading in NWD Shares and NWD Bonds on the Stock Exchange with effect from 9:00 a.m. on 14 March 2014.

At the request of NWCL, trading in NWCL Shares and NWCL Bonds on the Stock Exchange was suspended from 9:00 a.m. on 11 March 2014 pending issuance of this announcement. An application has been made by NWCL to the Stock Exchange for the resumption of trading in NWCL Shares and NWCL Bonds on the Stock Exchange with effect from 9:00 a.m. on 14 March 2014.

WARNINGS

Shareholders of NWD and/or potential investors should be aware that the implementation of the Proposal and the Scheme is subject to the Conditions being fulfilled or waived, as applicable, and thus the Proposal may or may not be implemented and the Scheme may or may not become effective. Shareholders of NWD and potential investors should therefore exercise caution when dealing in the securities of NWD. Persons who are in doubt as to the action they should take should consult their licensed securities dealer or registered institution in securities, bank manager, solicitor or other professional advisers.

NWCL Shareholders and/or potential investors should be aware that the implementation of the Proposal and the Scheme is subject to the Conditions being fulfilled or waived, as applicable, and thus the Proposal may or may not be implemented and the Scheme may or may not become effective. NWCL Shareholders and potential investors should therefore exercise caution when dealing in the securities of NWCL. Persons who are in doubt as to the action they should take should consult their licensed securities dealer or registered institution in securities, bank manager, solicitor or other professional advisers.

Notice to US investors

The Proposal is being made to cancel the securities of a Cayman Islands company by means of a scheme of arrangement provided for under the Companies Law. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules of the US Securities and Exchange Act of 1934, as amended. Accordingly, the Proposal is subject to the disclosure requirements and practices applicable in the Cayman Islands and Hong Kong to schemes of arrangement which differ from the disclosure requirements of the US tender offer rules.

The receipt of cash pursuant to the Proposal by a US holder of Scheme Shares as consideration for the cancellation of its Scheme Shares pursuant to the Scheme 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 Scheme Shares is urged to consult his independent professional adviser immediately regarding the tax consequences of the Proposal applicable to him.

It may be difficult for US holders of Scheme Shares to enforce their rights and claims arising out of the US federal securities laws, since 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 Scheme 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.

1. INTRODUCTION

On 12 March 2014, the Offeror requested the board of directors of NWCL to put forward the Proposal to the Scheme Shareholders regarding the proposed privatisation of NWCL by way of a scheme of arrangement under Section 86 of the Companies Law.

If the Proposal is approved and implemented,

- (i) all Scheme Shares held by the Scheme Shareholders on the Effective Date will be cancelled in exchange for the payment of HK\$6.80 per Scheme Share in cash to each Scheme Shareholder by the Offeror;
- (ii) the issued share capital of NWCL will, on the Effective Date, be reduced by cancelling the Scheme Shares. Immediately upon such reduction, the issued share capital of NWCL will be increased to its former amount by the issue at par to the Offeror, credited as fully paid, of the same number of NWCL Shares as the number of Scheme Shares cancelled. The reserve created in the books of accounts of NWCL as a result of the capital reduction will be applied in paying up in full at par the new NWCL Shares so issued to the Offeror;
- (iii) NWD will, directly and indirectly (through the Offeror, its wholly-owned subsidiary), hold 100% issued share capital in NWCL; and
- (iv) NWCL will apply to the Stock Exchange for the withdrawal of the listing of NWCL Shares on the Stock Exchange immediately following the Effective Date pursuant to Rule 6.15 of the Listing Rules.

2. TERMS OF THE PROPOSAL

Cancellation Price

Under the Scheme, the Scheme Shareholders will receive from the Offeror the Cancellation Price of HK\$6.80 in cash for every Scheme Share as consideration for the cancellation of the Scheme Shares held as of the Effective Date.

The Cancellation Price will not be increased, and the Offeror does not reserve the right to do so.

Comparison of value

The Cancellation Price of HK\$6.80 per Scheme Share represents:

- a premium of approximately 32.3% over the closing price of HK\$5.14 per NWCL Share as quoted on the Stock Exchange on the Last Trading Day;

- a premium of approximately 36.3% over the average closing price of approximately HK\$4.99 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the 5 trading days up to and including the Last Trading Day;
- a premium of approximately 42.2% over the average closing price of approximately HK\$4.78 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the 10 trading days up to and including the Last Trading Day;
- a premium of approximately 53.7% over the average closing price of approximately HK\$4.42 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day;
- a premium of approximately 64.3% over the average closing price of approximately HK\$4.14 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days up to and including the Last Trading Day;
- a premium of approximately 78.0% over the average closing price of approximately HK\$3.82 per NWCL Share based on the daily closing prices as quoted on the Stock Exchange for the 180 trading days up to and including the Last Trading Day; and
- a premium of approximately 1.8% to the unaudited consolidated net asset value per NWCL Share of approximately HK\$6.68 as at 31 December 2013.

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

NWCL Shareholders should also note that, as shown on the unaudited financial statements of NWCL as at 31 December 2013, 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 unaudited financial statements may or may not reflect the current market value of these assets.

Highest and lowest prices

During the six-month period ended on and including the Last Trading Day, the highest closing price of NWCL Shares was HK\$5.14 on 10 March 2014 and the lowest closing price of NWCL Shares was HK\$3.69 on 18 December 2013 and 27 December 2013.

Conditions of the Proposal and the Scheme

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

- (a) the approval of the Scheme (by way of poll) by a majority in number of the Scheme Shareholders representing not less than three-fourths in value of the Scheme Shares held by the Scheme Shareholders present and voting either in person or by proxy at the Court Meeting, provided that:
 - (i) the Scheme is approved (by way of poll) by at least 75% of the votes attaching to the Scheme Shares held by Independent NWCL Shareholders that are cast either in person or by proxy at the Court Meeting; and
 - (ii) the number of votes cast (by way of poll) against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all Scheme Shares held by Independent NWCL Shareholders;
- (b) (i) the passing of a special resolution by a majority of not less than three-fourths of the votes cast by NWCL Shareholders present and voting in person or by proxy at an extraordinary general meeting of NWCL to approve and give effect to the reduction of the issued share capital of NWCL by cancelling the Scheme Shares, and (ii) the passing of an ordinary resolution by NWCL Shareholders at an extraordinary general meeting of NWCL to increase immediately thereafter the issued share capital of NWCL to the amount prior to the cancellation of the Scheme Shares and apply the reserve created as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par such number of new NWCL Shares as is equal to the number of Scheme Shares cancelled for issuance to the Offeror;
- (c) the sanction of the Scheme (with or without modifications) by the Grand Court and, to the extent necessary, the Grand Court's confirmation of the reduction of the share capital of NWCL, and the registration of a copy of the Court Orders by the Registrar of Companies in the Cayman Islands;
- (d) compliance, to the extent necessary, with the procedural requirements and conditions, if any, under Sections 15 and 16 of the Companies Law in relation to the reduction of the issued share capital of NWCL;
- (e) the shareholders of NWD approving the Proposal and the Rule 13 Offer at a general meeting of NWD;
- (f) all Authorisations in connection with the Proposal having been obtained or made from, with or by (as the case may be) the Relevant Authorities of the Cayman Islands, Hong Kong and any other relevant jurisdictions;

- (g) all Authorisations remaining in full force and effect without variation, and all necessary statutory or regulatory obligations in all relevant jurisdictions having been complied with and no requirement having been imposed by any Relevant Authorities which is not expressly provided for, or is in addition to requirements expressly provided for, in any relevant laws, rules, regulations or codes in connection with the Proposal or any related matters, documents (including circulars) or things, in each case up to and at the time when the Scheme becomes effective;
- (h) all necessary consents (including consents from the relevant lenders) in connection with the Proposal and the withdrawal of listing of NWCL from the Stock Exchange which may be required under any existing contractual obligations of NWCL being obtained and remaining in effect;
- (i) if required, the obtaining by NWD and the Offeror of such other necessary consent, approval, authorisation, permission, waiver or exemption which may be required from any Relevant Authorities or other third parties which are necessary or desirable for the performance of the Scheme under the applicable laws and regulations;
- (j) no government, governmental, quasi-governmental, statutory or regulatory body, court or agency in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry (or enacted, made or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order) that would make the Proposal or the Scheme or its implementation in accordance with its terms void, unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations with respect to the Proposal or the Scheme or its implementation in accordance with its terms);
- (k) since 31 December 2013, there having been no adverse change in the business, assets, financial or trading positions, profits or prospects of any member of NWCL Group (to an extent which is material in the context of NWCL Group taken as a whole or in the context of the Proposal); and
- (l) since the Announcement Date, there not having been instituted or remaining outstanding any litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of NWCL Group is a party (whether as plaintiff, defendant or otherwise) and no such proceedings having been threatened in writing against any such member (and no investigation by any government or quasi-governmental, supranational, regulatory or investigative body or court against or in respect of any such member or the business carried on by any such member having been threatened in writing, announced, instituted or remaining outstanding by, against or in respect of any such member), in each case which is material and adverse in the context of NWCL Group taken as a whole or in the context of the Proposal.

The Offeror reserves the right to waive conditions (f), (g), (h), (i), (j), (k) and (l) either in whole or in part, either generally or in respect of any particular matter. Conditions (a), (b), (c), (d) and (e) cannot be waived in any event. Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror may only invoke any or all of the Conditions as a basis for not proceeding with the Scheme if the circumstances which give rise to a right to invoke any such Condition are of material significance to the Offeror in the context of the Proposal.

All of the Conditions will have to be fulfilled or waived, as applicable, on or before the Long Stop Date (or such later date as the Offeror, NWCL and HSBC may agree or, to the extent applicable, as the Grand Court may direct and in all cases, as permitted by the Executive), failing which the Proposal and the Scheme will lapse. NWCL has no right to waive any of the Conditions.

Warnings:

Shareholders of NWD and/or potential investors should be aware that the implementation of the Proposal and the Scheme is subject to the Conditions being fulfilled or waived, as applicable, and thus the Proposal may or may not be implemented and the Scheme may or may not become effective. Shareholders of NWD and potential investors should therefore exercise caution when dealing in the securities of NWD. Persons who are in doubt as to the action they should take should consult their licensed securities dealer or registered institution in securities, bank manager, solicitor or other professional advisers.

NWCL Shareholders and/or potential investors should be aware that the implementation of the Proposal and the Scheme is subject to the Conditions being fulfilled or waived, as applicable, and thus the Proposal may or may not be implemented and the Scheme may or may not become effective. NWCL Shareholders and potential investors should therefore exercise caution when dealing in the securities of NWCL. Persons who are in doubt as to the action they should take should consult their licensed securities dealer or registered institution in securities, bank manager, solicitor or other professional advisers.

3. SHAREHOLDING STRUCTURE OF NWCL AND THE SCHEME SHARES

On the assumption that no NWCL Options are exercised before the Effective Date and there is no other change in shareholding of NWCL before completion of the Proposal, the table below sets out the shareholding structure of NWCL as at the Announcement Date and immediately upon completion of the Proposal:

NWCL Shareholders	As at the Announcement Date		Immediately upon completion of the Proposal (Note 14)	
	Number of NWCL Shares	%	Number of NWCL Shares	%
Offeror (Note 1)	255,041,727	2.94	2,954,685,531	34.05
Offeror Concert Parties				
NWCL Shares held not subject to the Scheme:				
— NWD (Note 2)	5,721,977,644	65.95	5,721,977,644	65.95
	5,977,019,371	68.89	8,676,663,175	100.00
Offeror Concert Parties				
NWCL Shares held subject to the Scheme:				
— High Earnings (Note 3)	93,073,738	1.07	—	—
— Great Worth (Note 4)	22,508,064	0.26	—	—
— HSBC (Note 5)	672,557	0.01	—	—
— Dr. Cheng Kar-Shun, Henry (Note 6)	151,983,526	1.75	—	—
— Mr. Cheng Kar-Shing, Peter (Note 7)	755,961	0.01	—	—
— Ms. Cheng Chi-Man, Sonia (Note 8)	953,669	0.01	—	—
— 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 (Note 11)	517,500	0.01	—	—
— Ms. Ki Man-Fung, Leonie (Note 12)	45,000	0.00	—	—
	273,469,126	3.15	—	—
Aggregate number of NWCL Shares held by the Offeror Concert Parties	5,995,446,770	69.10	5,721,977,644	65.95
Aggregate number of NWCL Shares held by the Offeror and the Offeror Concert Parties	6,250,488,497	72.04	8,676,663,175	100.00
Independent NWCL Shareholders	2,426,174,678	27.96	—	—
	8,676,663,175	100.00	8,676,663,175	100.00
Total number of Scheme Shares (Note 13)	2,699,643,804	31.11	—	—

Notes:

1. NWCL Shares in which the Offeror is interested will not form part of the Scheme Shares and will not be cancelled.
2. 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 the Scheme Shares and will not be cancelled.
3. 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.
4. Great Worth is a non-wholly owned subsidiary of NWD and is acting in concert with the Offeror in relation to NWCL.
5. HSBC is the financial adviser to the Offeror and relevant members of the HSBC group (except those which are exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purpose of the Takeovers Code) 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. 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.
6. 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 1,662,336 are vested.
7. 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 664,936 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 249,352 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, is 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 Effective Date and there is no other change in shareholding of NWCL before completion of the Proposal) minus the aggregate number of NWCL Shares held by the Offeror and NWD equals the total number of Scheme Shares (on the same assumptions).
14. Under the Scheme, the issued share capital of NWCL will, on the Effective Date, be reduced by cancelling the Scheme Shares. On the assumption that no NWCL Options are exercised before the Effective Date and the assumption that there is no other change in shareholding of NWCL before completion of the Proposal, forthwith upon such reduction, the issued share capital of NWCL will be increased to HK\$867,666,317.5 divided into 8,676,663,175 NWCL Shares by the issue of 2,699,643,804 NWCL Shares to the Offeror at par and the reserve created in NWCL's books of account as a result of the capital reduction will be applied in paying up in full at par the 2,699,643,804 new NWCL Shares so issued to the Offeror.
15. All percentages in the above table are approximations.

On the assumption that all NWCL Options are vested and exercised in full before the Effective Date and the assumption that there is no other change in shareholding of NWCL before completion of the Proposal, the table below sets out the shareholding structure of NWCL before completion of the Proposal and immediately upon completion of the Proposal:

NWCL Shareholders	Assuming that all NWCL Options are vested and exercised in full before the Effective Date and there is no other change in shareholding of NWCL before completion of the Proposal		Immediately upon completion of the Proposal (Note 15)	
	<i>Number of NWCL Shares</i>	<i>%</i>	<i>Number of NWCL Shares</i>	<i>%</i>
Offeror (Note 1)	255,041,727	2.93	2,990,762,133	34.33
Offeror Concert Parties				
NWCL Shares held not subject to the Scheme:				
— NWD (Note 2)	5,721,977,644	65.67	5,721,977,644	65.67
	5,977,019,371	68.60	8,712,739,777	100.00
Offeror Concert Parties				
NWCL Shares held subject to the Scheme:				
— High Earnings (Note 3)	93,073,738	1.07	—	—
— Great Worth (Note 4)	22,508,064	0.26	—	—
— HSBC (Note 5)	672,557	0.01	—	—
— Dr. Cheng Kar-Shun, Henry (Note 6)	154,061,448	1.77	—	—
— Mr. Cheng Kar-Shing, Peter (Note 7)	1,587,130	0.02	—	—
— Ms. Cheng Chi-Man, Sonia (Note 8)	953,669	0.01	—	—
— Mr. Lee Luen-Wai, John (Note 9)	699,136	0.01	—	—
— Mr. Cheng Chi-Kong, Adrian (Note 10)	935,066	0.01	—	—
— Mr. Doo Wai-Hoi, William (Note 11)	2,571,663	0.03	—	—
— Mr. William Junior Guilherme Doo (Note 12)	517,500	0.01	—	—
— Ms. Ki Man-Fung, Leonie (Note 13)	45,000	0.00	—	—
	277,624,971	3.19	—	—
Aggregate number of NWCL Shares held by the Offeror Concert Parties	5,999,602,615	68.86	5,721,977,644	65.67
Aggregate number of NWCL Shares held by the Offeror and the Offeror Concert Parties	6,254,644,342	71.79	8,712,739,777	100.00
Independent NWCL Shareholders	2,458,095,435	28.21	—	—
	8,712,739,777	100.00	8,712,739,777	100.00
Total number of Scheme Shares (Note 14)	2,735,720,406	31.40	—	—

Notes:

1. NWCL Shares in which the Offeror is interested will not form part of the Scheme Shares and will not be cancelled.
2. 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 Scheme Shares and will not be cancelled.
3. 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.
4. Great Worth is a non-wholly owned subsidiary of NWD and is acting in concert with the Offeror in relation to NWCL.
5. HSBC is the financial adviser to the Offeror and relevant members of the HSBC group (except those which are exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purpose of the Takeovers Code) 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. 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.
6. 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.
7. 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.
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. 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.
11. Mr. Doo Wai-Hoi, William, who is a non-executive director of NWD, is acting in concert with the Offeror in relation to NWCL.
12. Mr. William Junior Guilherme Doo, who is the son of Mr. Doo Wai-Hoi, William, a non-executive director of NWD, is acting in concert with the Offeror in relation to NWCL.
13. Ms. Ki Man-Fung, Leonie, who is an executive director of NWD, is acting in concert with the Offeror in relation to NWCL.
14. The total number of NWCL Shares (assuming that all NWCL Options are vested and exercised in full before the Effective Date and there is no other change in shareholding of NWCL before completion of the Proposal) minus the aggregate number of NWCL Shares held by the Offeror and NWD equals the total number of Scheme Shares (on the same assumptions).

15. Under the Scheme, the issued share capital of NWCL will, on the Effective Date, be reduced by cancelling the Scheme Shares. On the assumption that all NWCL Options are vested and exercised in full before the Effective Date and the assumption that there is no other change in shareholding of NWCL before completion of the Proposal, forthwith upon such reduction, the issued share capital of NWCL will be increased to HK\$871,273,977.7 divided into 8,712,739,777 NWCL Shares by the issue of 2,735,720,406 NWCL Shares to NWD at par and the reserve created in NWCL's books of account as a result of the capital reduction will be applied in paying up in full at par the 2,735,720,406 new NWCL Shares so issued to the Offeror.
16. All percentages in the above table are approximations.

Following the Effective Date and the withdrawal of listing of NWCL Shares on the Stock Exchange, NWD will hold 100% of the issued share capital of NWCL, of which (i) 65.95% will be held directly; and (ii) 34.05% will be held indirectly through the Offeror, a wholly-owned subsidiary of NWD on the assumption that no NWCL Options are exercised before the Effective Date and there is no other change in shareholding in NWCL before completion of the Proposal.

As at the Announcement Date, the authorised share capital of NWCL was HK\$3,000,000,000.00 divided into 30,000,000,000 NWCL Shares of HK\$0.10 each, and the issued share capital of NWCL was HK\$867,666,317.5 divided into 8,676,663,175 NWCL Shares of HK\$0.10 each. There were no preference shares of NWCL in issue.

As at the Announcement Date, the Offeror held 255,041,727 NWCL Shares representing approximately 2.94% of the issued share capital of NWCL. Such NWCL Shares will not form part of the Scheme Shares and will not be voted on the Scheme at the Court Meeting. As at the Announcement Date, the Offeror Concert Parties held in aggregate 5,995,446,770 NWCL Shares, representing approximately 69.10% of the issued share capital of NWCL. Of these Offeror Concert Parties, NWCL Shares held by NWD will not form part of the Scheme Shares and will not be voted on the Scheme at the Court Meeting. NWCL Shares held by the remaining Offeror Concert Parties will form part of the Scheme Shares and will be cancelled upon the Scheme becoming effective, but such Offeror Concert Parties will abstain from voting on the Scheme at the Court Meeting.

Save for 4,155,845 NWCL Options, there were no options, warrants or convertible securities in respect of NWCL Shares held by the Offeror or the Offeror Concert Parties or outstanding derivatives in respect of NWCL Shares entered into by the Offeror or the Offeror Concert Parties as at the Announcement Date, and save for 36,076,602 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.

4. RULE 13 OFFER

As at the Announcement Date, there were 36,076,602 NWCL Options granted under the Share Option Schemes (including 19,860,545 NWCL Options which have not been vested on the Announcement Date), each giving the holder of each NWCL Option the right to subscribe for one new NWCL Share. The exercise of such NWCL Options in full would result in the issue of 36,076,602 new NWCL Shares, representing approximately 0.42% of the issued share capital of NWCL as at the Announcement Date and approximately 0.41% 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 Rule 13 Offer, to the holders of NWCL Options for the cancellation of every vested and unvested NWCL Option in accordance with Rule 13 of the Takeovers Code. The Rule 13 Offer will be conditional upon the Scheme becoming effective. Under the Rule 13 Offer, the Offeror will offer the holders of NWCL Options cash equal to the “see-through” price (being the Cancellation Price minus the relevant exercise price of NWCL Options) for each NWCL Option that they hold. The last day for acceptance of the Rule 13 Offer shall be 14 days after the Effective Date, and payment to accepting holders of NWCL Options under the Rule 13 Offer will be made within seven business days following the later of the date the Rule 13 Offer becomes unconditional and the date of receipt of a valid acceptance.

The relevant exercise price applicable to each NWCL Option, which is set out in the tables below, ranges from HK\$2.262 to HK\$4.01.

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

NWCL Option exercise price (HK\$)	“See-through” price (HK\$)	Total outstanding options (vested and unvested)
3.913	2.8870	1,598,517
2.953	3.8470	103,013
2.878	3.9220	362,661
2.262	4.5380	203,069
2.349	4.4510	210,597
3.013	3.7870	1,901,833
3.036	3.7640	10,971,350
2.705	4.0950	853,662

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

NWCL Option exercise price (HK\$)	“See-through” price (HK\$)	Total outstanding options (vested and unvested)
2.45	4.3500	5,037,400
3.37	3.4300	612,000
3.88	2.9200	4,678,700
3.35	3.4500	2,116,000
2.762	4.0380	1,288,400
4.01	2.7900	1,840,000
3.97	2.8300	4,299,400

Further information on the Rule 13 Offer will be set out in a letter to the holders of NWCL Options which will be dispatched at or around the same time as the dispatch of the Scheme Document.

If any NWCL Option is vested and is exercised in accordance with the terms of the Share Option Schemes prior to the date for determining entitlements under the Scheme, any NWCL Shares issued as a result of the exercise of NWCL Options prior to the date for determining entitlements under the Scheme will be subject to and eligible to participate in the Scheme.

5. OVERSEAS NWCL SHAREHOLDERS

The making of (i) the Proposal to the Scheme Shareholders; and (ii) the Rule 13 Offer to the holders of NWCL Options, who are not resident in Hong Kong may be subject to the laws of the relevant jurisdictions in which such Scheme Shareholders or holders of NWCL Options respectively are located. Such Scheme Shareholders and such holders of NWCL Options should inform themselves about and observe any applicable legal, tax or regulatory requirements. It is the responsibility of any overseas Scheme Shareholders and overseas holders of NWCL Options wishing to take any action in relation to the Proposal and the Rule 13 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 Scheme Shareholders 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 the Offeror, that those local laws and regulatory requirements have been complied with. If you are in doubt as to your position, you should consult your professional advisers.

In the event that the dispatch of the Scheme Document to overseas Scheme Shareholders or overseas holders of NWCL Options 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 Scheme Document will not be dispatched to such overseas Scheme Shareholders or such overseas holders of NWCL Options. 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 dispatch the Scheme Document to such overseas Scheme Shareholders or such overseas holders of NWCL Options. In granting the waiver, the Executive will be concerned to see that all material information in the Scheme Document is made available to such overseas Scheme Shareholders and overseas holders of NWCL Options, as the case may be.

Scheme Shareholders and holders of NWCL Options are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting the Proposal or the Rule 13 Offer. It is emphasised that none of the Offeror, NWD, NWCL and HSBC or any of their respective directors, officers or associates or any other person involved in the Proposal or the Rule 13 Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Proposal or the Rule 13 Offer.

6. FINANCIAL RESOURCES

On the assumption that no NWCL Options are exercised before the Effective Date, the amount of cash required to implement the Proposal (before taking into account the Rule 13 Offer) would be approximately HK\$18,358 million. On the assumption that all NWCL Options are vested and exercised in full before the Effective Date, the amount of cash required for the Proposal would be approximately HK\$18,603 million.

On the assumption that no NWCL Options are exercised before the Effective Date, the amount of cash required to implement the Rule 13 Offer to be made, would be approximately HK\$128 million.

The Offeror intends to finance the cash required for the Proposal and the Rule 13 Offer from a credit facility granted by HSBC (in its capacity as lender).

HSBC, the financial adviser to the Offeror in connection with the Proposal and the Rule 13 Offer, is satisfied that sufficient financial resources are available to the Offeror for the payment in full of the cash consideration payable under the Proposal and the Rule 13 Offer in accordance with their respective terms.

7. REASONS FOR, AND BENEFITS OF, THE PROPOSAL

For the Scheme Shareholders

The Cancellation Price represents a premium of approximately 1.8% to the unaudited consolidated net asset value per NWCL Share of approximately HK\$6.68 as at 31 December 2013 and a premium of approximately 32.3% over the closing price of NWCL Shares of HK\$5.14 as quoted by the Stock Exchange on the Last Trading Day. The Cancellation Price has been determined on a commercial basis after taking into account the prices of NWCL Shares traded on the Stock Exchange, the trading multiples of comparable trading companies and with reference to other privatisation transactions in Hong Kong in recent years.

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

NWCL Shareholders should also note that, as shown on the unaudited financial statements of NWCL as at 31 December 2013, 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 unaudited financial statements may or may not reflect the current market value of these assets.

During the six-month period ended on and including the Last Trading Day, the lowest and highest closing prices per NWCL Share on the Stock Exchange were HK\$3.69 and HK\$5.14 respectively, with a simple average closing price of approximately HK\$4.09.

Over the one-year period ended on and including the Last Trading Day, liquidity in NWCL Shares was restricted to an average daily turnover of HK\$13.8 million or 3.5 million NWCL Shares on the Stock Exchange. Such average daily turnover in number of NWCL Shares represented only approximately 0.13% of the number of Scheme Shares.

The Cancellation Price represents a substantial premium of approximately 66.2% over the simple average closing prices of six-month period ended on and including the Last Trading Day.

NWCL Shares have habitually been traded at a discount to their attributable net asset value. The closing price of NWCL Shares on the Last Trading Day represented a discount of approximately 23.1% to the unaudited consolidated net asset value per NWCL Share (based on the unaudited financial statements of NWCL as at 31 December 2013 and 8,676,663,175 NWCL Shares in issue as at the Last Trading Day). By contrast, the Cancellation Price is a premium to such net asset value per NWCL Share of 1.8%.

Since the Offeror and its parent company NWD already own, on an aggregated basis, approximately 68.89% of the issued share capital of NWCL as at the Announcement Date, the directors of the Offeror believe that it is unlikely that the Scheme Shareholders will receive any other general offer from a third party to acquire the Scheme Shares, as such offer would not succeed without the approval of the Offeror and NWD.

In addition, NWCL Shareholders should note that no discussions have taken place (or are taking place) with any third party regarding the disposal of any of NWCL Shares held by the Offeror and NWD. The Offeror and NWD intend to continue the existing business of NWCL in the near term upon successful implementation of the Proposal. The Offeror and NWD have no intention to make any material changes to the existing operation and management structure of NWCL Group after implementation of the Proposal. However, it will continue to assess business opportunities as they arise.

The Offeror accordingly considers that the Proposal provides an opportunity for the holders of the Scheme 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 Scheme Shares to realise their Scheme Shares in the stock market without adversely affecting the market price of NWCL Shares. The Offeror considers that the Proposal also affords the holders of the Scheme Shares with the opportunity to realise their investments in NWCL as referred to above, and if they so wish, invest the monies received under the Scheme in alternative investments with higher liquidity than NWCL Shares or use them for other purposes.

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 will be facilitated. Due to the low liquidity of NWCL Shares and the significant 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 NWD's shareholders

Given the low liquidity of NWCL Shares, the directors of NWD believe that NWCL's ability to raise funds from the public equity markets is currently limited and any significant improvement in this regard in the foreseeable future is unlikely. Consequently, the directors of NWD consider that the costs and management resources associated with the maintenance of NWCL's listing on the Stock Exchange and its publicly listed status, which are needed in order to access the public equity capital markets, are no longer warranted.

NWD accordingly considers that the Proposal would be in the interests of NWD and its shareholders as it will simplify the group structure and create more flexibility to manage NWCL's business in an efficient and sustainable manner.

8. 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 917.

NWCL is the flagship property arm of NWD in the PRC and is one of the large-scale national developers in the PRC with unaudited consolidated total assets of approximately HK\$124.1 billion as at 31 December 2013. The audited consolidated net profits before and after taxation and extraordinary items of NWCL for the year ended 30 June 2013 were approximately HK\$7,906,897,000 and approximately HK\$4,855,356,000 respectively and the audited consolidated net profits before and after taxation and extraordinary items of NWCL for the year ended 30 June 2012 were approximately HK\$6,092,204,000 and approximately HK\$3,279,500,000 respectively. NWCL Group's development portfolio comprises 36 major projects spanning over 21 large cities or major transportation hubs as at 31 December 2013.

NWCL Group develops property project 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, Tianjin and Jinan, and is the developer of landmark commercial complexes in Beijing, Shanghai, Wuhan, Tianjin and Dalian and large-scale residential communities in Shenyang, Wuhan, Guangzhou, Chengdu, Changsha and Guiyang.

9. 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 17. It is a constituent stock of the Hong Kong Hang Seng Index with a total unaudited asset value of approximately HK\$354.7 billion as at 31 December 2013.

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, including property, infrastructure, services, hotel and department store in Hong Kong, the PRC and Macau.

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

10. WITHDRAWAL OF LISTING OF NWCL SHARES

Upon the Scheme becoming effective, all Scheme Shares will be cancelled and the share certificates in respect of the Scheme Shares will thereafter cease to have effect as documents or evidence of title.

NWCL will apply to the Stock Exchange for the withdrawal of the listing of NWCL Shares on the Stock Exchange, in accordance with Rule 6.15 of the Listing Rules, immediately following the Effective Date. A detailed timetable for the implementation of the Proposal will be included in the Scheme Document.

The Scheme Shareholders will be notified by way of an announcement of the exact dates of the last day for dealing in NWCL Shares on the Stock Exchange and the day on which the Scheme and the withdrawal of the listing of NWCL Shares on the Stock Exchange will become effective. A detailed timetable of the Scheme will be included in the Scheme Document, which will also contain, among other things, further details of the Scheme.

11. IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES

The Scheme will lapse if any of the Conditions has not been fulfilled or waived, as applicable, on or before the Long Stop Date. If the Scheme is not approved or the Proposal otherwise lapses, the listing of NWCL Shares on the Stock Exchange will not be withdrawn.

If the Scheme is not approved or the Proposal otherwise lapses, there are restrictions under the Takeovers Code on making subsequent offers, to the effect that neither the Offeror nor any person who acted in concert with it in the course of the Proposal (nor any person who is subsequently acting in concert with any of them) may within 12 months from the date on which the Scheme is not approved or the Proposal otherwise lapses announce an offer or possible offer for NWCL, except with the consent of the Executive.

If NWCL Independent Board Committee or NWCL Independent Financial Adviser does not recommend the Proposal, and the Scheme is not approved, all expenses incurred by NWCL in connection therewith shall be borne by the Offeror in accordance with Rule 2.3 of the Takeovers Code.

12. SCHEME SHARES, MEETING OF SCHEME SHAREHOLDERS AND EXTRAORDINARY GENERAL MEETING OF NWCL

As at the Announcement Date, the Offeror and NWD held 255,041,727 NWCL Shares and 5,721,977,644 NWCL Shares representing approximately 2.94% and 65.95% of the issued share capital of NWCL, respectively. Such NWCL Shares will not form part of the Scheme Shares and will not be cancelled upon the Scheme becoming effective. As the Offeror and NWD are not Scheme Shareholders, they will not vote on the Scheme at the Court Meeting. The Offeror and NWD will undertake to the Grand Court that they will be bound by the Scheme, so as to ensure that they will be subject to the terms and conditions of the Scheme.

By reason of being the financial adviser to the Offeror, HSBC is presumed to be acting in concert with the Offeror in relation to NWCL. As at the Announcement Date, and so far as the Offeror is aware taking into account Note 1 to Rule 3.5 of the Takeovers Code, members of the HSBC group (except those which are exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purposes of the Takeovers Code) which are presumed to be acting in concert with the Offeror in relation to NWCL held a long position in 672,557 NWCL Shares (representing approximately 0.01% of the issued share capital of NWCL).

As at the Announcement Date, the Offeror Concert Parties held in aggregate 5,995,446,770 NWCL Shares, representing approximately 69.10% of the issued share capital of NWCL. NWCL Shares held by the Offeror Concert Parties (except NWCL Shares held by NWD) will form part of the Scheme Shares and will be cancelled upon the Scheme becoming effective, but such Offeror Concert Parties will abstain from voting on the Scheme at the Court Meeting.

All NWCL Shareholders will be entitled to attend the extraordinary general meeting of NWCL and vote on (i) the special resolution to approve and give effect to the reduction of the issued share capital of NWCL by cancelling the Scheme Shares, and (ii) the ordinary resolution to immediately thereafter increase the issued share capital of NWCL to the amount prior to the cancellation of the Scheme Shares and apply the reserve created as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par such number of new NWCL Shares as is equal to the number of Scheme Shares cancelled as a result of the Scheme for issue to the Offeror. The Offeror and NWD have indicated that if the Scheme is approved at the Court Meeting, those NWCL Shares held by them will be voted in favour of the resolutions to be proposed at the extraordinary general meeting of NWCL.

13. NWCL INDEPENDENT BOARD COMMITTEE

The board of directors of NWCL has established 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 advise the Independent NWCL Shareholders and the holders of NWCL Options as to (i) whether the Proposal and Rule 13 Offer are, or are not, fair and reasonable; and (ii) whether to vote in favour of the Scheme at the Court Meeting and the extraordinary general meeting of NWCL.

The remaining independent non-executive director of NWCL, 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 NWCL Independent Board Committee.

NWCL Independent Financial Adviser will be appointed (with the approval of NWCL Independent Board Committee) to advise NWCL Independent Board Committee in connection with the Proposal and the Rule 13 Offer. A further announcement will be made after the appointment of NWCL Independent Financial Adviser.

14. DISPATCH OF SCHEME DOCUMENT

The Scheme Document containing, among other things, further details of the Proposal and the Scheme, the Rule 13 Offer, the expected timetable, an explanatory memorandum as required under the Companies Law and the Rules of the Grand Court, information regarding NWCL, recommendations from NWCL Independent Board Committee with respect to the Proposal and the Rule 13 Offer, and the advice of NWCL Independent Financial Adviser to NWCL Independent Board Committee, a notice of the Court Meeting and a notice of an extraordinary general meeting of NWCL, together with proxies in relation thereto, will be dispatched to NWCL Shareholders and holders of NWCL Options as soon as practicable and in compliance with the requirements of the Takeovers Code and the Grand Court, and other applicable laws and regulations. A letter to the holders of NWCL Options will also be dispatched at or around the same time as the dispatch of the Scheme Document. The aggregate percentage holding in NWCL Shares of the Offeror and the Offeror Concert Parties will also be disclosed in the Scheme 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 Scheme Document.

The Scheme Document will contain important information and the Scheme Shareholders are urged to read the Scheme Document containing such disclosures carefully before casting any vote at (or providing any proxy in respect of) the Court Meeting or the extraordinary general meeting of NWCL. Any acceptance or other response to the Proposal or the Rule 13 Offer should be made only on the basis of information in the Scheme Document or any other document by which the Proposal or the Rule 13 Offer is made.

15. POSSIBLE MAJOR TRANSACTION AND POSSIBLE CONNECTED TRANSACTIONS FOR NWD

If the Proposal and the Rule 13 Offer are completed on the proposed terms, they will constitute a major transaction and connected transactions for NWD under the Listing Rules.

Possible major transaction

As one or more of the Applicable Percentage Ratios in respect of the Proposal and the Rule 13 Offer will exceed 25% and all of those Applicable Percentage Ratios will be less than 100%, implementation of the Proposal and the Rule 13 Offer will constitute a major transaction for NWD under the Listing Rules. 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 listed below, the Scheme Shareholders and the holders of NWCL Options are third parties independent of NWD and its connected persons.

A circular of NWD containing, among others, details of the Proposal and the Rule 13 Offer, information regarding NWCL and a notice to convene an extraordinary general meeting of NWD for considering, and if thought fit, approving the Proposal and the Rule 13 Offer will be dispatched 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 dispatched to the shareholders of NWD on or about 22 April 2014.

Possible connected transactions

As at the Announcement Date, the following connected persons of NWD are interested in NWCL Shares and/or NWCL Options:

Name	Relationship with NWD	Interests	
		NWCL Shares	NWCL Options
Dr. Cheng Kar-Shun, Henry	Dr. Cheng Kar-Shun, Henry is an executive director of NWD and an executive director of NWCL.	151,983,256	2,077,922
Mr. Cheng Kar-Shing, Peter	Mr. Cheng Kar-Shing, Peter is a non-executive director of NWD and an executive director of NWCL.	755,961	831,169
Ms. Cheng Chi-Man, Sonia	Ms. Cheng Chi-Man, Sonia is an executive director of NWD and an executive director of NWCL.	953,669	Nil
Mr. Lee Luen-Wai, John	Mr. Lee Luen-Wai, John is an independent non-executive director of NWD and an independent non-executive director of NWCL.	387,448	311,688
Mr. Doo Wai-Hoi, William	Mr. Doo Wai-Hoi, William is a non-executive director of NWD.	2,571,663	Nil
Ms. Ki Man-Fung, Leonie	Ms. Ki Man-Fung, Leonie is an executive director of NWD.	45,000	Nil
Mr. Cheng Chi-Kong, Adrian	Mr. Cheng Chi-Kong, Adrian is an executive director of NWD and an executive director of NWCL.	Nil	935,066

Name	Relationship with NWD	Interests	
		NWCL Shares	NWCL Options
Ms. Ngan Man-Ying, Lynda	Ms. Ngan Man-Ying, Lynda is an executive director of NWCL.	Nil	1,038,961
Mr. Fong Shing-Kwong, Michael	Mr. Fong Shing-Kwong, Michael is an executive director of NWCL.	1,856,895	449,481
Dr. Cheng Wai-Chee, Christopher	Dr. Cheng Wai-Chee, Christopher is an independent non-executive director of NWCL.	387,448	311,688
Hon. Tien Pei-Chun, James	Hon. Tien Pei-Chun, James is an independent non-executive director of NWCL.	387,448	311,688
		159,328,788	6,267,663

The aggregate payment of HK\$1,107 million by the Offeror of:

- (i) the Cancellation Price (on the basis of their respective interests in NWCL Shares as at the Announcement Date) to the aforesaid connected persons in consideration for the cancellation of their respective interests in NWCL Shares; and
- (ii) the “see-through” price (being the Cancellation Price minus the relevant exercise price of NWCL Options (being HK\$3.036 per NWCL Share), and on the basis of their respective interests in NWCL Options as at the Announcement Date) to the aforesaid connected persons in consideration for the cancellation of their respective interests in NWCL Options,

will constitute connected transactions for NWD under the Listing Rules. Such connected transactions will be subject to the reporting and announcement requirements but will be exempted from the independent shareholders’ approval requirement under Chapter 14A of the Listing Rules as one or more of the Applicable Percentage Ratios in respect of such aggregate payment by the Offeror of the Cancellation Price and the “see-through” price to the connected persons of NWD will exceed 0.1% but all those Applicable Percentage Ratios will be less than 5%.

For the purposes of the above analysis of the possible connected transactions of NWD, NWD believes the various original purchase costs of the Scheme Shares and/or NWCL Options incurred on the various dates by the aforesaid respective connected persons should be those deduced from their respective filings to the Stock Exchange and to NWCL made pursuant to the SFO. Further information relating to the original purchase costs of the Scheme Shares and/or NWCL Shares by such connected persons will be provided to the shareholders of NWD as soon as practicable, unless such requirement is waived by the Stock Exchange.

The directors (including the independent non-executive directors) of NWD believe the terms of the Proposal and the Rule 13 Offer are fair and reasonable and in the interests of the shareholders of NWD as a whole.

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 Cancellation Price, the benefits of the Proposal from the perspective of NWD and its shareholders (as set out in the section headed “Reasons for, and benefits of, the Proposal” above) and the financial impacts of the Proposal and the Rule 13 Offer on NWD, it considers that the Proposal and the Rule 13 Offer are in the interests of the respective shareholders of NWD and the Offeror.

Ms. Ip Mei-Hing, Katherine (who is the wife of Dr. Cheng Kar-Shun, Henry and the mother of Mr. Cheng Chi-Kong, Adrian and Ms. Cheng Chi-Man, Sonia, each of whom is a director of NWD and is interested in NWCL Shares and/or NWCL Options as mentioned above) and Ms. Ki Man-Fung, Leonie (who is a director of NWD and is interested in NWCL Shares as mentioned above), who respectively hold 450,000 and 90,000 NWD Shares (respectively representing approximately 0.007% and 0.001% of the entire issued share capital in NWD), will abstain from voting on the relevant resolution(s) for approving the Proposal and the Rule 13 Offer at the relevant general meeting of NWD. Chow Tai Fook Enterprises Limited and its subsidiaries, which hold an aggregate of 2,763,317,704 NWD Shares (representing approximately 42.89% of the entire issued share capital in NWD), will also abstain from voting on the relevant resolution(s) for approving the Proposal and the Rule 13 Offer at the relevant general meeting of NWD.

Shareholders of NWD who have a material interest in the Proposal and/or the Rule 13 Offer will be required to abstain from voting on the resolution(s) for approving the Proposal and the Rule 13 Offer at the relevant general meeting of NWD.

16. 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.”

17. 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. The forward-looking statements contained in this announcement include statements about the expected effects on NWCL of the Proposal and the Rule 13 Offer, the expected timing and scope of the Proposal and the Rule 13 Offer, and all other statements in this announcement other than historical facts.

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 to the Proposal and Rule 13 Offer, 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.

18. GENERAL

The Offeror has appointed HSBC as its financial adviser in connection with the Proposal and the Rule 13 Offer.

The executive directors of NWCL believe that the terms of the Proposal and the Rule 13 Offer are fair and reasonable and in the interests of NWCL Shareholders and holders of NWCL Options as a whole.

Dr. Cheng Kar-Shun, Henry, Mr. Cheng Kar-Shing, Peter, Mr. Cheng Chi-Kong, Adrian, Ms. Cheng Chi-Man, Sonia and Mr. Cheng Chi-Him, Conrad, who being directors of NWCL and are interested in the Proposal and/or the Rule 13 Offer have abstained from voting in respect of the board resolutions of NWCL in relation to the Proposal and the Rule 13 Offer.

In addition, Dr. Cheng Kar-Shun, Henry, Mr. Cheng Kar-Shing, Peter, Mr. Cheng Chi-Kong, Adrian, Ms. Cheng Chi-Man, Sonia, Mr. Lee Luen-Wai, John, Mr. Doo Wai-Hoi, William and Ms. Ki Man-Fung, Leonie, who being directors of NWD and are interested in the Proposal and/or the Rule 13 Offer have abstained from voting in respect of the board resolutions of NWD in relation to the Proposal and the Rule 13 Offer.

Save for the Proposal and the Rule 13 Offer, there are no arrangements (whether by way of option, indemnity or otherwise) relating to relevant securities which may be an inducement to deal or refrain from dealing as described in Note 8 to Rule 22 of the Takeovers Code between the Offeror or any of the Offeror Concert Parties and any other person in relation to shares of the Offeror or NWD or NWCL Shares which might be material to the Proposal.

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

The Offeror and the Offeror Concert Parties have not borrowed or lent any NWCL Shares or any other securities of NWCL as at the Announcement Date.

No irrevocable commitment to vote for or against the Scheme has been received by the Offeror or any of the Offeror Concert Parties, as at the Announcement Date.

NWCL Shareholders whose names appear on the register of members of NWCL as at 16 April 2014 shall be entitled to the interim dividend for the six months ended 31 December 2013. It is expected that the Effective Date shall occur after 16 April 2014.

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

At the request of NWD, trading in NWD Shares and NWD Bonds on the Stock Exchange was suspended from 9:00 a.m. on 11 March 2014 pending issuance of this announcement. An application has been made by NWD to the Stock Exchange for the resumption of trading in NWD Shares and NWD Bonds on the Stock Exchange with effect from 9:00 a.m. on 14 March 2014.

At the request of NWCL, trading in NWCL Shares and NWCL Bonds on the Stock Exchange was suspended from 9:00 a.m. on 11 March 2014 pending issuance of this announcement. An application has been made by NWCL to the Stock Exchange for the resumption of trading in NWCL Shares and NWCL Bonds on the Stock Exchange with effect from 9:00 a.m. on 14 March 2014.

20. DEFINITIONS

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

“acting in concert”	has the meaning ascribed to it in the Takeovers Code
“Announcement Date”	13 March, 2014, being the date of this announcement
“Applicable Percentage Ratios”	the percentage ratios (all as defined in Rule 14.04(9) of the Listing Rules) applicable to the Proposal and the Rule 13 Offer in accordance with Chapters 14 and 14A of the Listing Rules
“associate”	has the meaning ascribed to it in the Takeovers Code
“Authorisations”	all the necessary authorisations, registrations, filings, rulings, consents, permissions and approvals required in connection with the Proposal
“Beneficial Owner”	any beneficial owner of NWCL Shares whose NWCL Shares are registered in the name of a Registered Owner
“Cancellation Price”	the cancellation price of HK\$6.80 per Scheme Share payable in cash by the Offeror to the Scheme Shareholders pursuant to the Scheme
“Companies Law”	the Companies Law Cap. 22 (Law 3 of 1961), as consolidated and revised of the Cayman Islands

“Conditions”	the conditions to the implementation of the Proposal and the Scheme as described in the section headed “2. Terms of the Proposal — Conditions of the Proposal and the Scheme” of this announcement
“Court Meeting”	a meeting of the Scheme Shareholders to be convened at the direction of the Grand Court at which the Scheme (with or without modification) will be voted upon, or any adjournment thereof
“Court Orders”	the orders of Grand Court confirming the sanction of the Scheme as required by the Companies Law and confirming the reduction of capital of NWCL as required by the Companies Law
“Effective Date”	the date on which the Scheme becomes effective in accordance with the Companies Law
“Executive”	the Executive Director of the Corporate Finance Division of the Securities and Futures Commission or any delegate thereof
“Grand Court”	the Grand Court of the Cayman Islands
“Great Worth”	Great Worth Holdings Ltd., a non-wholly owned subsidiary of NWD
“High Earnings”	High Earnings Holdings Ltd, a wholly-owned subsidiary of NWS
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HSBC”	The Hongkong and Shanghai Banking Corporation Limited, the financial adviser to the Offeror in connection with the Proposal and Rule 13 Offer. HSBC is a registered institution under the SFO, registered to conduct 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 and a licensed bank under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)

“Independent NWCL Shareholder(s)”	NWCL Shareholder(s) other than the Offeror and the Offeror Concert Parties. For the avoidance of doubt, Independent NWCL Shareholders include any member of the HSBC group acting in its capacity as a Registered Owner of Scheme Shares held on behalf of a Beneficial Owner where the Beneficial Owner (i) controls the voting rights attaching to those NWCL Shares; (ii) if NWCL Shares are voted, gives instructions as to how those NWCL Shares are to be voted; and (iii) is not the Offeror or an Offeror Concert Party
“Last Trading Day”	10 March, 2014, being the last trading day of NWCL Shares prior to the issuance of this announcement
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	the date which is 120 days after the Announcement Date
“NWCL”	New World China Land Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are currently listed on the Main Board of the Stock Exchange (stock code: 917)
“NWCL Bonds”	bonds issued by NWCL with the stock codes 85914 and 86021 respectively
“NWCL Group”	NWCL and its subsidiaries
“NWCL Independent Board Committee”	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 board of directors of NWCL to make a recommendation to the Independent NWCL Shareholders and holders of NWCL Options in respect of the Proposal and the Rule 13 Offer
“NWCL Independent Financial Adviser”	the independent financial adviser to NWCL Independent Board Committee in connection with the Proposal and the Rule 13 Offer
“NWCL Option(s)”	the outstanding, vested and unvested, share option(s), each relating to one NWCL Share, granted under the Share Option Schemes from time to time
“NWCL Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of NWCL
“NWCL Shareholder(s)”	registered holder(s) of NWCL Shares

“NWD”	New World Development Company Limited, a company incorporated in Hong Kong with limited liability and a controlling shareholder of NWCL and the parent company of the Offeror, the shares of NWD are currently listed on the Main Board of the Stock Exchange (stock code: 17)
“NWD Bonds”	bonds issued by NWD’s wholly-owned subsidiary, Fita International Ltd. and guaranteed by NWD with the stock code 04315 and bonds issued by NWD’s wholly-owned subsidiary, NWD (MTN) Ltd., and guaranteed by NWD with the stock code 06029
“NWD Group”	NWD and its subsidiaries
“NWD Shares”	ordinary share(s) in the share capital of NWD
“NWS”	NWS Holdings Limited, a non-wholly owned subsidiary of NWD and the shares of which are listed on the Stock Exchange with the stock code 659
“Offeror”	Easywin Enterprises Corporation Limited, a wholly-owned subsidiary of NWD
“Offeror Concert Parties”	parties acting in concert with the Offeror in relation to NWCL including HSBC (except members of the HSBC group which are exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purposes of the Takeovers Code) which is presumed to be acting in concert with the Offeror in relation to NWCL
“PRC”	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)
“Proposal”	the proposal for the privatisation of NWCL by the Offeror by way of the Scheme
“Registered Owner”	any owner of NWCL Shares (including, without limitation, a nominee, trustee, depository or any other authorised custodian or other party) whose name is entered in the register of members of NWCL
“Relevant Authorities”	appropriate governments and/or governmental bodies, regulatory bodies, courts or institutions

“Rule 13 Offer”	the offer to be made by or on behalf of the Offeror to the holders of NWCL Options
“Scheme”	a scheme of arrangement under Section 86 of the Companies Law involving the cancellation of all the Scheme Shares and the restoration of the share capital of NWCL to the amount immediately before the cancellation of the Scheme Shares
“Scheme Document”	the composite scheme document of NWCL, the Offeror and NWD containing, among other things, further details of the Proposal together with the additional information specified in the section headed “14. Dispatch of Scheme Document” of this announcement
“Scheme Share(s)”	NWCL Share(s) other than those held by the Offeror and NWD
“Scheme Shareholder(s)”	holder(s) of Scheme Shares as at the Effective Date
“Securities and Futures Commission”	Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share Option Schemes”	the share option schemes adopted by NWCL on 26 November 2002 and 22 November 2011 respectively
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	Code on Takeovers and Mergers of Hong Kong
“trading day”	a day on which the Stock Exchange is open for the business of dealings in securities
“US”	United States of America

By Order of the Board of
New World Development Company Limited
Wong Man-Hoi
Company Secretary

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

Hong Kong, 13 March, 2014

As at the Announcement Date, the directors of NWD comprise (a) seven executive directors, namely Dr. Cheng Kar-Shun, Henry, Mr. 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 inquiries, 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 statement in this announcement (other than that relating to NWCL Group) misleading.

As at the Announcement Date, the directors of the Offeror are 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 inquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by NWCL Group or by NWD) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement (other than that relating to NWCL Group) misleading.

As at the Announcement Date, the executive directors of NWCL are Dr. Cheng Kar-Shun, Henry, Mr. Cheng Kar-Shing, Peter, Mr. 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 the independent non-executive directors of NWCL are 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 NWCL Group and confirm, having made all reasonable inquiries, 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 statement in this announcement relating to NWCL Group misleading.