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**新創建 NWS**

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

*(incorporated in Bermuda with limited liability)*

**(stock code: 659)**

## **CONNECTED TRANSACTION**

### **ACCEPTANCE OF THE SHARE OFFER IN RESPECT OF THE NWCL OFFER SHARES**

Reference is made to the voluntary conditional cash offers by HSBC on behalf of the Offeror, a wholly owned subsidiary of NWD, to acquire all the NWCL Offer Shares and to cancel all the outstanding NWCL Options, details of which have been set out in the Joint Announcement and the Composite Document.

The Board would like to announce that on 11 March 2016, High Earnings (a wholly owned subsidiary of the Company) tendered its acceptance of the Share Offer in respect of the 93,073,738 NWCL Shares held by it by returning the duly completed and signed form of acceptance and transfer in respect of the Share Offer together with the relevant documents to the Registrar. Based on the Share Offer Price of HK\$7.80 per NWCL Offer Share and subject to the Share Offer becoming or being declared unconditional in all respects, the aggregate consideration payable by the Offeror for the 93,073,738 NWCL Shares held by High Earnings would amount to HK\$725,975,156.40 (subject to deduction of seller's ad valorem stamp duty).

The 93,073,738 NWCL Shares held by High Earnings form part of the NWCL Offer Shares and represent approximately 1.07% of the issued share capital of NWCL as at the Latest Practicable Date, being all the NWCL Offer Shares held by the Group as at the date of this announcement.

High Earnings is a wholly owned subsidiary of the Company. The Offeror is a wholly owned subsidiary of NWD. As at the date of this announcement, NWD is interested in approximately 61.33% of the total issued share capital of the Company. The Offeror is therefore a connected person of the Company and the Acceptance constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules.

As all the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Acceptance are more than 0.1% but less than 5%, the Acceptance is subject to the reporting and announcement requirements but is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

## **INTRODUCTION**

Reference is made to the voluntary conditional cash offers by HSBC on behalf of the Offeror, a wholly owned subsidiary of NWD, to acquire all the NWCL Offer Shares and to cancel all the outstanding NWCL Options, details of which have been set out in the Joint Announcement and the Composite Document.

The Board would like to announce that on 11 March 2016, High Earnings (a wholly owned subsidiary of the Company) tendered its acceptance of the Share Offer in respect of the 93,073,738 NWCL Shares held by it by returning the duly completed and signed form of acceptance and transfer in respect of the Share Offer together with the relevant documents to the Registrar. Based on the Share Offer Price of HK\$7.80 per NWCL Offer Share and subject to the Share Offer becoming or being declared unconditional in all respects, the aggregate consideration payable by the Offeror for the 93,073,738 NWCL Shares held by High Earnings would amount to HK\$725,975,156.40 (subject to deduction of seller's ad valorem stamp duty).

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## ACCEPTANCE OF THE SHARE OFFER IN RESPECT OF THE NWCL OFFER SHARES

### Date

11 March 2016

### Parties

1. Easywin Enterprises Corporation Limited, a wholly owned subsidiary of NWD and the Offeror of the Offers; and
2. High Earnings Holdings Limited, a wholly owned subsidiary of the Company and the holder of 93,073,738 NWCL Shares.

### Assets to be disposed of

93,073,738 NWCL Shares held by High Earnings which form part of the NWCL Offer Shares, representing approximately 1.07% of the issued share capital of NWCL as at the Latest Practicable Date and all the NWCL Offer Shares held by the Group as at the date of this announcement.

The Group does not hold any NWCL Options and will not participate in the Option Offer.

### Consideration

The Share Offer was made at the Share Offer Price of HK\$7.80 in cash for each NWCL Offer Share. Subject to the Share Offer becoming or being declared unconditional in all respects, the aggregate consideration payable by the Offeror for the 93,073,738 NWCL Shares held by High Earnings would amount to HK\$725,975,156.40 (subject to deduction of seller's ad valorem stamp duty).

### Basis of Consideration

Based on the disclosure in the Composite Document, the Company understands that the Share Offer Price of HK\$7.80 per NWCL Offer Share was determined with reference to the closing prices of NWCL Shares and the net asset value per NWCL Share at various points in time. For further details, please refer to the section headed "*Comparisons of value*" in the "Letter from HSBC" in the Composite Document.

## **Conditions of the Share Offer**

Based on the disclosure in the Composite Document, the Company understands that the Share Offer is subject to various Conditions, including but not limited to the following:

- (i) the Offers having been approved by the shareholders of NWD;
- (ii) the Offeror having received valid acceptances of the Share Offer in respect of such number of NWCL Shares which would result in the Offeror holding at least 90% of the NWCL Offer Shares and at least 90% of the Disinterested NWCL Shares; and
- (iii) NWCL having received 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.

For further details of the Conditions, please refer to the section headed “*Conditions of the Offers*” in the “Letter from HSBC” in the Composite Document.

Based on the disclosure in the Composite Document, the Company understands that the Offeror reserves the right to waive, in whole or in part, all or any of the Conditions (other than Conditions (i) and (ii) above). If Conditions (i) and/or (ii) are not satisfied on or before the Closing Date, the Offers will lapse. If any other Conditions are not satisfied on or before the Closing Date, the Offers may lapse.

## **Settlement of Consideration**

Based on the disclosure in the Composite Document, 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 Business Days following the later of (i) the date on which the Offers become or are declared unconditional in all respects; and (ii) the date of receipt of a duly completed and signed acceptance in respect of the Share Offer and Option Offer (as applicable). No fraction of a cent will be payable and the amount of cash consideration payable to a NWCL Offer 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.

## **FINANCIAL EFFECTS OF THE ACCEPTANCE**

Upon the settlement of the consideration payable by the Offeror in respect of the Acceptance, the Group will cease to hold any NWCL Shares.

The expected unaudited gain for the Group to be derived from the settlement of the consideration payable by the Offeror in respect of the Acceptance would amount to approximately HK\$0.5 billion before tax and related expenses, representing mainly the difference between the consideration and the carrying cost of the NWCL Offer Shares held by the Group.

## **USE OF PROCEEDS**

The proceeds from the Acceptance, after deduction of incidental expenses of the transaction, will be used as general working capital of the Group.

## **THE REASONS FOR AND THE BENEFITS OF THE ACCEPTANCE**

The Share Offer provides an opportunity for the Company to dispose of its NWCL Shares at a cash consideration that is significantly higher than the market price prior to the Joint Announcement. It also affords the Company the opportunity to realize its investments in NWCL and the net cash proceeds received will be used for general working capital purpose.

## **LISTING RULES IMPLICATIONS**

High Earnings is a wholly owned subsidiary of the Company. The Offeror is a wholly owned subsidiary of NWD. As at the date of this announcement, NWD is interested in approximately 61.33% of the total issued share capital of the Company. The Offeror is therefore a connected person of the Company and the Acceptance constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules.

As all the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Acceptance are more than 0.1% but less than 5%, the Acceptance is subject to the reporting and announcement requirements but is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

## **APPROVAL BY THE BOARD**

Dr. Cheng Kar Shun, Henry, being a director of the Company, is also a director of NWD. Accordingly, Dr. Cheng Kar Shun, Henry and those of his associates who are also directors of the Company (i.e. Mr. Cheng Chi Ming, Brian and Mr. William Junior Guilherme Doo) abstained from voting on the resolutions approving the Acceptance at the Board meeting.

Save as disclosed above, no other directors of the Company are regarded as having a material interest in the Acceptance and hence no other directors of the Company are required under the Listing Rules to abstain from voting on the resolutions approving the Acceptance at the Board meeting.

The directors of the Company (including the independent non-executive directors) consider the terms and conditions of the Share Offer are on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole, taking into account the recommendations of the NWCL Independent Board Committee in respect of the Offers as set out in the "Letter from the NWCL Independent Board Committee" and the advice and recommendations

of the NWCL Independent Financial Adviser to the NWCL Independent Board Committee in respect of the Offers as set out in the “Letter from the NWCL Independent Financial Adviser”, both of which form part of the Composite Document.

## **GENERAL INFORMATION**

### **Information on the Group**

The Group is principally engaged in (i) the investment in and/or operation of facilities, construction, transport and strategic investments; and (ii) the development, investment, operation and/or management of power plants, water treatment and waste management plants, roads as well as ports and logistics facilities.

### **Information on the Offeror and NWD**

The Offeror is a company incorporated in Hong Kong and is a wholly owned subsidiary of NWD.

The NWD Group (including the Group) is principally engaged in property development and investments in the area of property, infrastructure, hotel operations, department store operations, services and technology. NWD is the ultimate holding company of the Company and is interested in approximately 61.33% of the total issued share capital of the Company as at the date of this announcement.

### **Information on NWCL**

NWCL is a non-wholly owned subsidiary of NWD and the flagship property arm of NWD in the PRC. The NWCL Group is principally engaged in property development, property investment as well as rental and hotel operations in the PRC. NWCL is one of the large-scale national developers in the PRC with unaudited consolidated total assets of approximately HK\$140,773.3 million as at 31 December 2015 and audited consolidated total assets of approximately HK\$134,427.5 million as at 30 June 2015. The unaudited consolidated net profit before taxation from continuing operations and net profit after taxation of NWCL for the six months ended 31 December 2015 were approximately HK\$545.6 million and HK\$437.6 million (including gain on disposal of discontinued operation of approximately HK\$768.9 million and loss for the period from discontinued operation of approximately HK\$19.6 million), respectively. The audited consolidated net profit before taxation from continuing operations and net profit after taxation of NWCL for the year ended 30 June 2015 were approximately HK\$6,422.4 million and approximately HK\$3,470.0 million (including loss for the year from discontinued operation of approximately HK\$34.0 million), respectively. The audited consolidated net profit before taxation from continuing operations and net profit after taxation of NWCL for the year ended 30 June 2014 were approximately HK\$9,107.1 million and approximately HK\$4,799.3 million (including loss for the year from discontinued operation of approximately HK\$140.7 million), respectively.

## DEFINITIONS

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

“Acceptance”	the acceptance of the Share Offer in respect of the 93,073,738 NWCL Shares held by High Earnings at the Share Offer Price of HK\$7.80 per NWCL Offer Share in cash
“Board”	the board of directors of the Company
“Business Day”	a day on which the Stock Exchange is open for the transaction of business
“Closing Date”	Monday, 21 March 2016, being 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
“Company”	NWS Holdings Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the main board of the Stock Exchange (stock code: 659) and beneficially owned as to approximately 61.33% by NWD as at the date of this announcement
“Composite Document”	the composite offer and response document dated 27 February 2016 in respect of the Offers jointly issued by NWD, the Offeror and NWCL in accordance with the Takeovers Code, as may be revised or supplemented as appropriate
“Condition(s)”	the condition(s) of the Offers, as set out under the section headed “ <i>Conditions of the Offers</i> ” in the “Letter from HSBC” in the Composite Document
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Disinterested NWCL Shares”	NWCL Shares other than those which are owned by the Offeror or the Offeror Concert Parties
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
“Group”	collectively the Company and its subsidiaries

“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“High Earnings”	High Earnings Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly owned subsidiary of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HSBC”	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)
“Joint Announcement”	the announcement dated 6 January 2016 jointly made by NWD, the Offeror and NWCL in relation to the Offers
“Latest Practicable Date”	Wednesday, 24 February 2016, being the latest practicable date prior to the printing of the Composite Document for ascertaining certain information for inclusion in the Composite Document
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“NWCL”	New World China Land Limited, a company incorporated in the Cayman Islands with limited liability and a non-wholly owned subsidiary of NWD, the issued shares of which are listed on the main board of the Stock Exchange (stock code: 917)
“NWCL Group”	collectively 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 Offer Shareholders and the NWCL Optionholders in respect of the Offers



“NWCL Independent Financial Adviser”	Somerley Capital Limited, the independent financial adviser to the NWCL Independent Board Committee in connection with the Offers and a licensed corporation which is permitted to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
“NWCL Offer Shareholder(s)”	registered holder(s) for the time being of the NWCL Offer Shares
“NWCL Offer Share(s)”	NWCL Share(s), other than those already held by the Offeror and NWD
“NWCL Option(s)”	the outstanding, vested and unvested, share option(s), relating to NWCL Share(s), granted under the share option schemes adopted by NWCL on 26 November 2002 and 22 November 2011, respectively, from time to time
“NWCL Optionholder(s)”	the holder(s) of the NWCL Option(s)
“NWCL Share(s)”	ordinary share(s) of HK\$0.10 each in the issued share capital of NWCL
“NWD”	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: 17), and the parent company of each of NWCL, the Offeror and the Company
“NWD Group”	collectively NWD and its subsidiaries
“Offeror”	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 Concert Parties”	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 recognized by the Executive as such for the purposes of the Takeovers Code) under the Takeovers Code including, for the avoidance of doubt, High Earnings

“Offers”	the Share Offer and the Option Offer
“Option Offer”	the voluntary conditional cash offer by HSBC on behalf of 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 and conditions set out in the Composite Document and the Form of Option Offer Acceptance (as defined in the Composite Document), and any subsequent revision or extension of such offer
“PRC”	The People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region of The People’s Republic of China and Taiwan)
“Registrar”	Tricor Standard Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, the Hong Kong branch share registrar of the NWCL Shares
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapters 571 of the laws of Hong Kong)
“Share Offer”	the voluntary conditional cash offer by HSBC on behalf of the Offeror to acquire all of the NWCL Offer Shares in accordance with the terms and conditions set out in the Composite Document and the Form of Share Offer Acceptance (as defined in the Composite Document), and any subsequent revision or extension of such offer
“Share Offer Price”	the price at which the Share Offer is made, being HK\$7.80 per NWCL Offer Share
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the meaning ascribed to it in the Listing Rules

“Takeovers Code”

the Code on Takeovers and Mergers published by the SFC and administered by the Executive

“%”

per cent.

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

Hong Kong, 11 March 2016

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

\* *For identification purposes only*