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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: 17)

  
**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)

## JOINT ANNOUNCEMENT

### DISCLOSEABLE AND CONNECTED TRANSACTION

### ACQUISITION OF ADDITIONAL INTEREST IN A COMPANY ENGAGED IN THE OPERATION OF HANGZHOU RING ROAD

#### Financial Advisers

Deutsche Bank



HSBC 

J.P.Morgan

Standard  
Chartered 

**Independent Financial Adviser to the Independent Board Committee  
and the Independent Shareholders of New World Development Company Limited  
and NWS Holdings Limited**

 **CIMB**

Reference is made to the announcement of NWS dated 14 June 2011 and the joint announcements of NWD and NWS dated 27 July 2011 and 9 September 2011 in relation to the CFC Sale and Purchase Agreement regarding the First Stage Acquisition, being the acquisition by Moscan, a wholly-owned subsidiary of NWS, of approximately 22.68% of the total issued shares in CFC from Widefaith at the consideration of US\$226,854,100 (equivalent to approximately HK\$1,769.46 million), the Widefaith Sale and Purchase Agreement regarding, among other things, the Second Stage Acquisition, being the acquisition by Moscan of 25% of the total issued shares in Widefaith from Kaiming at the consideration of US\$145,205,000 (equivalent to approximately HK\$1,132.60 million), and the TCI Sale and Purchase Agreement regarding the Third Stage Acquisition, being the acquisition by Moscan of approximately 26.32% of the total issued shares in CFC from TCI at the consideration of US\$280,000,000 (equivalent to approximately HK\$2,184.00 million) together with interest at a rate of 8% per annum on such purchase price for the period from and including 1 July 2011 up to and including 31 August 2011.

Reference is also made to the joint announcement of NWD and NWS dated 31 October 2011 in relation to the exercise of the Put Option to sell 65% of the total issued shares in Widefaith and the offer to sell an additional 10% of the total issued shares in Widefaith by Kaiming and the conditional acceptance by Moscan.

Unless otherwise defined in this announcement, terms defined in the announcements jointly made by NWD and NWS on 27 July 2011 and 9 September 2011 shall have the same meaning when used herein.

The NWD Board and the NWS Board are pleased to announce that on 17 November 2011, Moscan entered into the 75% Widefaith Sale and Purchase Agreement with Kaiming in relation to the Fourth Stage Acquisition, being the acquisition of the Option Shares pursuant to the exercise of the Put Option by Kaiming granted under the Widefaith Sale and Purchase Agreement and an additional 10% of the total issued shares in Widefaith at the aggregate consideration of US\$401,625,000 (equivalent to approximately HK\$3,132.68 million) plus the Daily Increment calculated on the basis of, and up to the respective dates of payment of, the Signing Purchase Price Payment, the Pre-completion Purchase Price Payment and the Completion Purchase Price Payment, and the Daily Increment in relation to the Pre-signing Purchase Price Payment calculated up to the date of the 75% Widefaith Sale and Purchase Agreement.

In respect of each of NWD and NWS, certain applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the Fourth Stage Acquisition are more than 5%, and when aggregated with the First Stage Acquisition, the Second Stage Acquisition and the Third Stage Acquisition, are more than 5% but less than 25%. The Fourth Stage Acquisition constitutes a discloseable transaction for each of NWD and NWS and is subject to the notification and publication requirements as set out in Rules 14.34 to 14.37 under Chapter 14 of the Listing Rules.

CFC is an indirect non-wholly owned subsidiary of NWD and NWS. Kaiming is an associate of Widefaith which in turn, is a substantial shareholder of CFC. Hence, Kaiming is a connected person of NWD and NWS under Chapter 14A of the Listing Rules. The Fourth Stage Acquisition contemplated under the 75% Widefaith Sale and Purchase Agreement therefore constitutes a connected transaction for both NWD and NWS under Chapter 14A of the Listing Rules. As certain applicable percentage ratios for the Fourth Stage Acquisition exceed 5%, the Fourth Stage Acquisition is subject to the reporting, announcement and independent shareholders' approval requirements as set out in Rules 14A.45 to 14A.54 under the Listing Rules for each of NWD and NWS.

So far as the NWS Board is aware, no NWS Shareholder is required to abstain from voting on resolutions to approve the Fourth Stage Acquisition. NWS has obtained a written shareholder's approval dated 17 November 2011 from NWD in relation to the approval of the Fourth Stage Acquisition. NWD is the holding company of NWS and holds (together with certain of its subsidiaries) 2,025,552,908 shares in NWS, representing approximately 59.77% of the total issued share capital of NWS as at the date of this announcement. The Stock Exchange has granted NWS a waiver from strict compliance with the requirement for holding a general meeting to seek independent shareholders' approval in respect of the Fourth Stage Acquisition pursuant to Rule 14A.43 of the Listing Rules on the basis that no NWS Shareholder would be required to abstain from voting if NWS were to convene a general meeting for the approval of the Fourth Stage Acquisition and NWS has obtained the written shareholder's approval from NWD in respect of the Fourth Stage Acquisition.

The NWD EGM will be convened at which resolutions in relation to the Fourth Stage Acquisition will be proposed to seek the approval of the NWD Independent Shareholders by way of poll.

A circular containing, amongst others, (1) further information on the 75% Widefaith Sale and Purchase Agreement; (2) the recommendation from the NWS Independent Board Committee in respect of the Fourth Stage Acquisition; (3) the advice from the independent financial adviser, CIMB Securities (HK) Limited, appointed by NWS to advise the NWS Independent Board Committee and the NWS Independent Shareholders in respect of the Fourth Stage Acquisition; and (4) the valuation report on the fair market value of the 100% equity interest in the business enterprise of CFC from the independent valuer, American Appraisal China Limited, will be despatched to the NWS Shareholders as soon as practicable and in accordance with the Listing Rules.

A circular containing, amongst others, (1) further information on the 75% Widefaith Sale and Purchase Agreement; (2) the recommendation from the NWD Independent Board Committee in respect of the Fourth Stage Acquisition; (3) the advice from the independent financial adviser, CIMB Securities (HK) Limited, appointed by NWD to advise the NWD Independent Board Committee and the NWD Independent Shareholders in respect of the Fourth Stage Acquisition; (4) the valuation report on the fair market value of the 100% equity interest in the business enterprise of CFC from the independent valuer, American Appraisal China Limited; and (5) notice of the NWD EGM will be despatched to the NWD Shareholders as soon as practicable and in accordance with the Listing Rules.

## INTRODUCTION

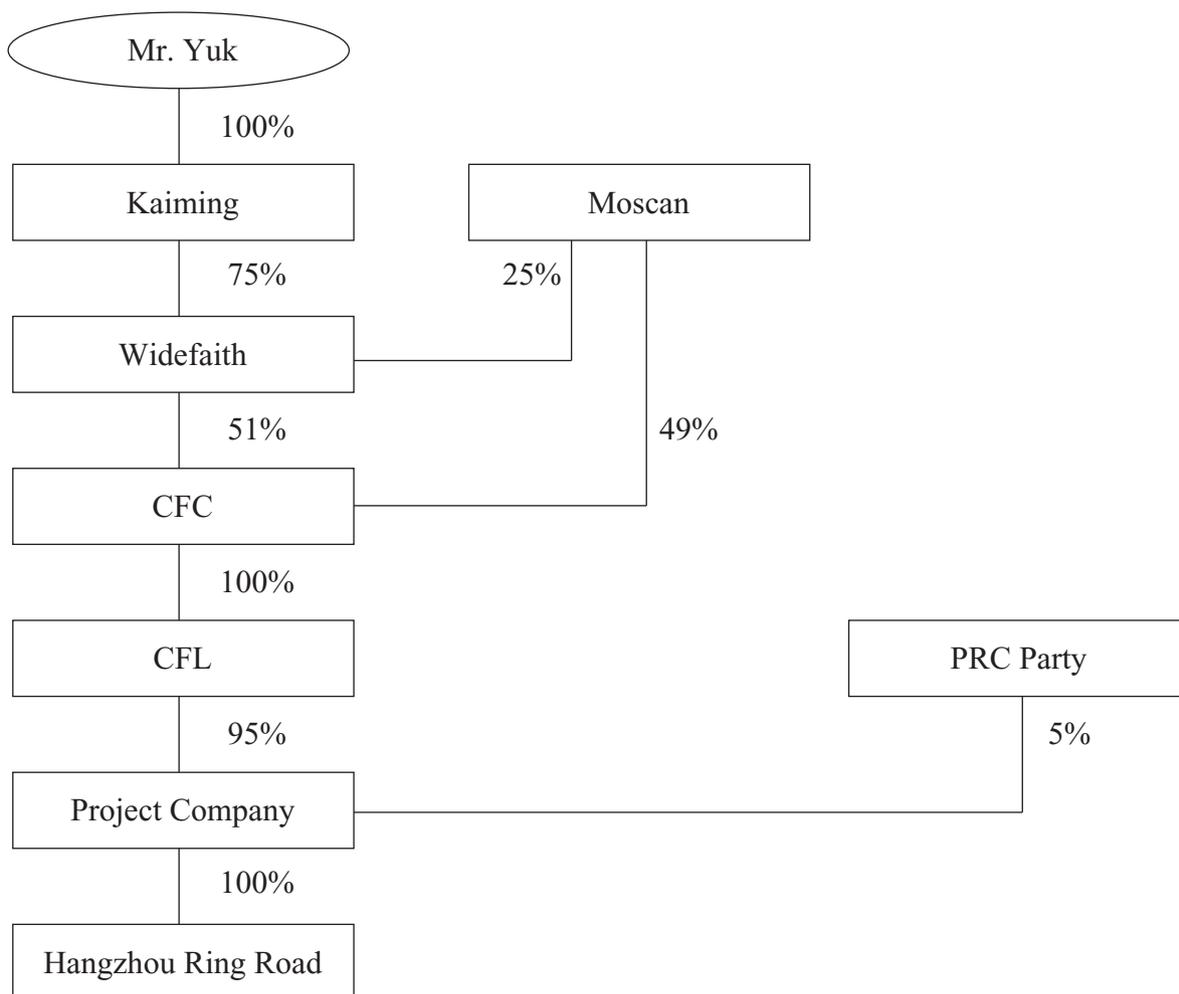
Reference is made to the announcement of NWS dated 14 June 2011 and the joint announcements of NWD and NWS dated 27 July 2011 and 9 September 2011 in relation to the CFC Sale and Purchase Agreement regarding the First Stage Acquisition, being the acquisition by Moscan, a wholly-owned subsidiary of NWS, of approximately 22.68% of the total issued shares in CFC from Widefaith at the consideration of US\$226,854,100 (equivalent to approximately HK\$1,769.46 million), the Widefaith Sale and Purchase Agreement regarding, among other things, the Second Stage Acquisition, being the acquisition by Moscan of 25% of the total issued shares in Widefaith from Kaiming at the consideration of US\$145,205,000 (equivalent to approximately HK\$1,132.60 million), and the TCI Sale and Purchase Agreement regarding the Third Stage Acquisition, being the acquisition by Moscan of approximately 26.32% of the total issued shares in CFC from TCI at the consideration of US\$280,000,000 (equivalent to approximately HK\$2,184.00 million) together with interest at a rate of 8% per annum on such purchase price for the period from and including 1 July 2011 up to and including 31 August 2011.

Reference is also made to the joint announcement of NWD and NWS dated 31 October 2011 in relation to the exercise of the Put Option to sell 65% of the total issued shares in Widefaith and the offer to sell an additional 10% of the total issued shares in Widefaith by Kaiming and the conditional acceptance by Moscan.

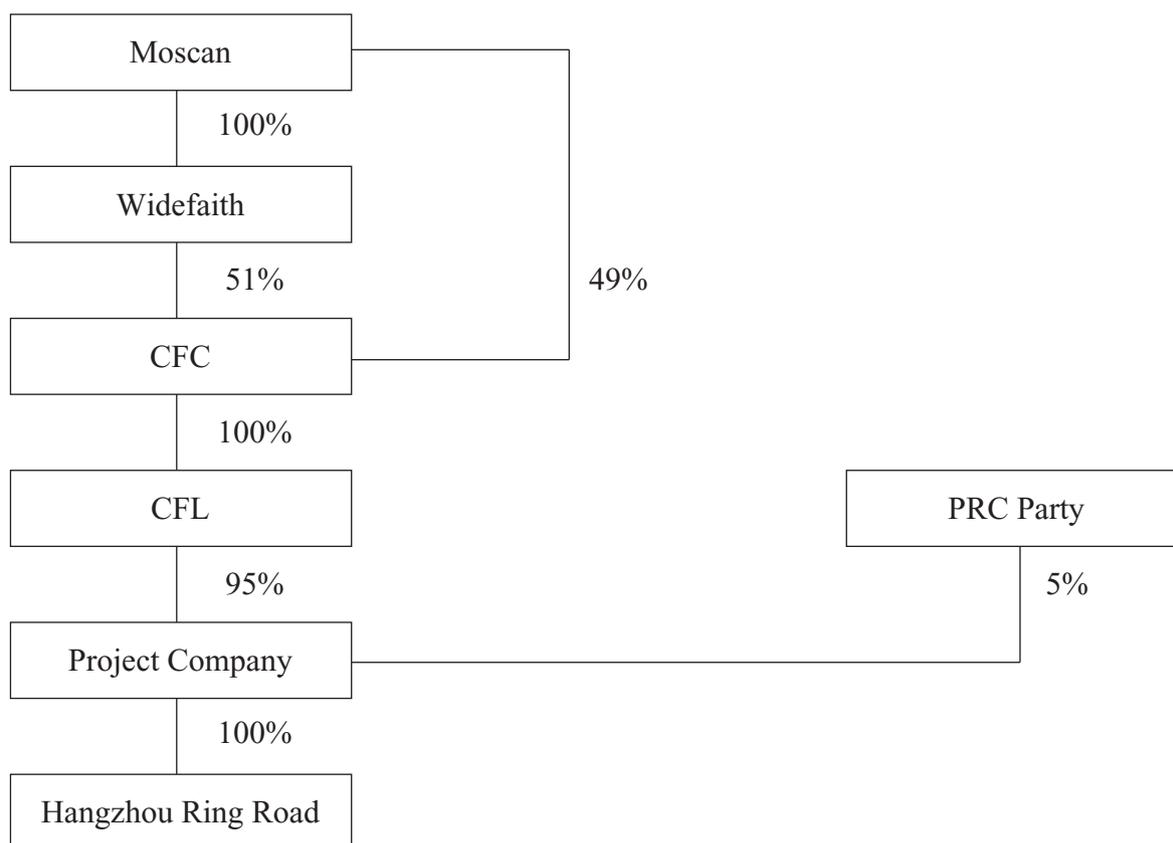
Unless otherwise defined in this announcement, terms defined in the announcements jointly made by NWD and NWS on 27 July 2011 and 9 September 2011 shall have the same meaning when used herein.

The NWD Board and the NWS Board are pleased to announce that on 17 November 2011, Moscan entered into the 75% Widefaith Sale and Purchase Agreement with Kaiming in relation to the Fourth Stage Acquisition, being the acquisition of the Option Shares pursuant to the exercise of the Put Option by Kaiming granted under the Widefaith Sale and Purchase Agreement and an additional 10% of the total issued shares in Widefaith at the aggregate consideration of US\$401,625,000 (equivalent to approximately HK\$3,132.68 million) plus the Daily Increment calculated on the basis of, and up to the respective dates of payment of, the Signing Purchase Price Payment, the Pre-completion Purchase Price Payment and the Completion Purchase Price Payment, and the Daily Increment in relation to the Pre-signing Purchase Price Payment calculated up to the date of the 75% Widefaith Sale and Purchase Agreement.

The following chart sets out the shareholding structure of the Project Company immediately prior to the signing of the 75% Widefaith Sale and Purchase Agreement:



The following chart sets out the shareholding structure of the Project Company upon completion of the Fourth Stage Acquisition under the 75% Widefaith Sale and Purchase Agreement:



Upon completion of the Fourth Stage Acquisition, Moscan will directly own 100% of the total issued shares in Widefaith and will directly and indirectly own 100% of the total issued shares in CFC, which together represent 95% effective interest in the Project Company.

## **MAJOR TERMS OF THE 75% WIDEFAITH SALE AND PURCHASE AGREEMENT**

### **Date**

17 November 2011

### **Parties**

1. Seller: Kaiming
2. Buyer: Moscan
3. Guarantors of Kaiming: Mr. Yuk and Ms. Wu

## Consideration

Moscan entered into the 75% Widedaith Sale and Purchase Agreement with, among others, Kaiming in relation to the acquisition of 75% of the total issued shares in Widedaith at the aggregate consideration of US\$401,625,000 (equivalent to approximately HK\$3,132.68 million) plus the Daily Increment calculated on the basis of, and up to the respective dates of payment of, the Signing Purchase Price Payment, the Pre-completion Purchase Price Payment and the Completion Purchase Price Payment, and the Daily Increment in relation to the Pre-signing Purchase Price Payment calculated up to the date of the 75% Widedaith Sale and Purchase Agreement. Prior to the date of the 75% Widedaith Sale and Purchase Agreement, the Pre-signing Purchase Price Payment was made by Moscan to Kaiming as advanced part payment of the Purchase Price pursuant to the Widedaith Sale and Purchase Agreement. The remaining outstanding Purchase Price shall be payable by Moscan in cash as follows:

1. the Signing Purchase Price Payment upon signing of the 75% Widedaith Sale and Purchase Agreement;
2. the Pre-completion Purchase Price Payment on the third Business Day after the Condition (g) as listed below is satisfied and certified true copies of the documents referred to in Condition (g) have been provided to Moscan; and
3. the Completion Purchase Price Payment on the Completion Date.

The aggregate amount of the Daily Increment, which forms part of the Completion Purchase Price Payment, is payable upon Completion. The consideration was determined after arm's length negotiations between the parties having regard to the assets and liabilities of the Widedaith Group and the strategic importance of Hangzhou Ring Road to the NWS Group. Please refer to the section headed "Reasons for, and Benefits of, the Acquisitions" below for further information. The consideration is payable by Moscan in cash to Kaiming and will be funded by internal cash resources and bank financing available to NWS.

In connection with the obligations of Kaiming under the 75% Widedaith Sale and Purchase Agreement, (i) Kaiming has executed a share charge in relation to 75% of the total issued shares in Widedaith in favour of Moscan; and (ii) Mr. Yuk and Ms. Wu have executed a personal guarantee and a deed of indemnity in favour of Moscan.

NWS Infrastructure Management Limited, a direct wholly-owned subsidiary of NWS, has provided a guarantee in favour of Kaiming in respect of Moscan's obligation to pay the Purchase Price under the 75% Widedaith Sale and Purchase Agreement.

## **Conditions precedent to Completion**

Completion of the 75% Widefaith Sale and Purchase Agreement is conditional upon the fulfilment (or, if applicable, waiver by Moscan) of, among other things, the following Conditions:

- (a) the warranties in the 75% Widefaith Sale and Purchase Agreement remaining true and accurate in all material respects at all times until Completion and not misleading in any material respect as at Completion;
- (b) all consents, approvals, permits, authorizations or clearances (as the case may be) that are necessary pursuant to applicable laws (including but not limited to the Listing Rules) for the execution, implementation and completion of the 75% Widefaith Sale and Purchase Agreement having been obtained, and all such consents, approvals, permits, authorizations and clearances not having been revoked or withdrawn;
- (c) NWD and NWS, being the holding companies of Moscan, having obtained all necessary internal approvals and complied with their disclosure obligations under the Listing Rules;
- (d) NWD having obtained the NWD Independent Shareholders' approval in relation to the execution of the 75% Widefaith Sale and Purchase Agreement and the consummation of the transactions;
- (e) NWS having obtained the NWS Independent Shareholders' approval in relation to the execution of the 75% Widefaith Sale and Purchase Agreement and the consummation of the transactions;
- (f) no material adverse change has taken place; and
- (g) resolution of the board of directors of the Project Company having been duly passed to adopt the new articles of association of the Project Company; the new joint venture contract of the Project Company having been entered into by CFL and the PRC Party; the approval of the new articles of association and the new joint venture contract of the Project Company having been duly obtained from the Department of Commerce of Zhejiang Province or Hangzhou Municipal Foreign Trade and Economic Cooperation Bureau (as applicable) which remains valid and subsisting; and the new articles of association and the new joint venture contract of the Project Company having been duly filed with the relevant Administration for Industry & Commerce and come into effect.

## **Completion**

Completion of the 75% Widefaith Sale and Purchase Agreement will be subject to the satisfaction (or waiver, as the case may be) of the abovementioned Conditions. It is expected that completion of the 75% Widefaith Sale and Purchase Agreement will take place on the sixth Business Day after the date on which the last of the Conditions is satisfied or waived. At any time on or before the Long-stop Date, Moscan may waive a Condition (other than Conditions (c), (d) and (e)) by notice to Kaiming.

## **Termination of the 75% Widefaith Sale and Purchase Agreement**

If the aforesaid Conditions have not been satisfied (or waived by Moscan, if applicable) pursuant to the 75% Widefaith Sale and Purchase Agreement by the Long-stop Date, the 75% Widefaith Sale and Purchase Agreement shall automatically terminate with immediate effect. Kaiming shall, within five Business Days from the date of termination, refund to Moscan (i) the Pre-signing Purchase Price Payment; (ii) the Signing Purchase Price Payment; and (iii) if already paid to Kaiming, the Pre-completion Purchase Price Payment, in each case together with interest accruing on a daily basis from the respective dates the aforesaid payments are made until the date on which such amounts are refunded to Moscan at the HK\$ Prime Rate plus 1% per annum (collectively the “**Refund Payments**”).

If (i) there occurs a Pre-completion Default at any time before Completion which Moscan reasonably considers is not capable of remedy or rectification by way of payment or monetary compensation of a sum not exceeding US\$20,000,000 (equivalent to approximately HK\$156.00 million); or (ii) there occurs a Material Pre-completion Default at any time before Completion, Moscan may by notice in writing to Kaiming elect to terminate the 75% Widefaith Sale and Purchase Agreement. Kaiming shall within five Business Days from the date of such termination, pay Moscan an amount equivalent to 10% of the Purchase Price as liquidated damages, together with the Refund Payments.

In addition, within six months of the termination, at the election of Moscan, Kaiming shall purchase from Moscan the 25% of the total issued shares in Widefaith acquired by Moscan under the Widefaith Sale and Purchase Agreement and/or all the shares in CFC acquired by Moscan from Widefaith and/or from TCI, for an aggregate amount which equals to the respective purchase prices paid by Moscan to Kaiming, Widefaith and/or TCI (as the case may be) plus interest accruing on a daily basis at the HK\$ Prime Rate plus 1% per annum from the respective dates Moscan acquired such shares from Kaiming, Widefaith and/or TCI (as the case may be) until the date such shares are transferred to Kaiming. In the event Moscan exercises its aforesaid right to sell all the Widefaith shares and/or all the CFC shares acquired by it pursuant to the First Stage Acquisition, the Second Stage Acquisition and the Third Stage Acquisition, both NWD and NWS will comply with the applicable requirements under the Listing Rules at the relevant time.

## **Kaiming Call Option**

If, however, the termination of the 75% Widefaith Sale and Purchase Agreement arises solely from the Conditions (c), (d) and/or (e) as stated above not being satisfied by the Long-stop Date, within six months of the termination of the 75% Widefaith Sale and Purchase Agreement, Kaiming shall have the right to require Moscan to sell the 25% of the total issued shares in Widefaith acquired under the Widefaith Sale and Purchase Agreement to Kaiming for an amount which equals to the purchase price based on the Benchmark Price paid by Moscan at the time of such acquisition, plus interest accruing on a daily basis from 29 July 2011 until the date the 25% of the total issued shares in Widefaith are transferred to Kaiming at the HK\$ Prime Rate plus 1% per annum (the “**Kaiming Call Option**”).

In the event of the termination of the 75% Widefaith Sale and Purchase Agreement and should the Kaiming Call Option be exercised, Moscan will be obliged to sell the 25% of the total issued shares in Widefaith. Completion of the transfer of such 25% of the total issued shares in Widefaith shall be subject to compliance by NWD and NWS with the applicable requirements under the Listing Rules. In the event of the completion of the disposal contemplated under the Kaiming Call Option, CFC will cease to be a subsidiary of NWS and NWD.

## **REASONS FOR, AND BENEFITS OF, THE ACQUISITIONS**

Hangzhou Ring Road is an expressway which is situated in Hangzhou City of Zhejiang Province, the PRC. The expressway has a length of 103.4 kilometers with dual 2-3 lanes. It is connected to several major national expressways and links Hangzhou City and the neighbouring provinces and cities such as Shanghai, Nanjing, Ningbo and Suzhou.

In view of the economic development of the Yangtze River Delta region, the NWS Board believes that the demand for road transport in the Yangtze River Delta region, including Zhejiang Province, in the PRC will continue to grow healthily. Hangzhou Ring Road forms a loop around Hangzhou City and serves intra-city traffic and cross-province traffic and is well positioned to benefit from the economic development of the aforesaid region. Moreover, it is the strategy of the NWS Group to continue to explore new investment opportunities for the purpose of strengthening its infrastructure business. The NWS Board is of the view that by completing the Acquisitions, the infrastructure portfolio of the NWS Group will be further expanded which will in turn enhance the NWS Group’s sustainable growth in the toll road sector of the PRC.

The NWD Board and the NWS Board consider that the 75% Widefaith Sale and Purchase Agreement has been entered into on normal commercial terms and is fair and reasonable and in the interests of NWD and NWS and their respective shareholders as a whole.

None of the directors of NWD and NWS has a material interest in the Fourth Stage Acquisition and accordingly, none of them abstained from voting on the relevant board resolutions approving the 75% Widefaith Sale and Purchase Agreement and the transactions contemplated thereunder.

## INFORMATION ON THE NWD GROUP, THE NWS GROUP, KAIMING, WIDFAITH AND THE PROJECT COMPANY

The NWD Group (including the NWS Group) is principally engaged in property development and investments in the areas of property, infrastructure, hotel operation, department store operation, services as well as telecommunications and technology. NWD is the ultimate holding company of NWS and is, together with certain of its subsidiaries, interested in approximately 59.77% of the total issued share capital of NWS as at the date of this announcement.

The NWS 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.

Kaiming is an investment holding company holding 75% of the total issued shares in Widefaith.

Widefaith currently owns 51% of the total issued shares in CFC which in turn owns 95% indirect interest in the Project Company. The Project Company is principally engaged in the operation of Hangzhou Ring Road.

According to the audited consolidated financial statements of Widefaith, the audited net asset value of Widefaith as of 31 December 2010 amounted to US\$314.55 million (equivalent to approximately HK\$2,453.49 million), and the audited net profit before and after taxation and extraordinary items of Widefaith for the financial years ended 31 December 2009 and 31 December 2010 are as follows:

	For the financial year ended 31 December 2009		2010	
	US\$ (million)	Equivalent to HK\$ (million)	US\$ (million)	Equivalent to HK\$ (million)
Net profit before taxation and extraordinary items	68.54	534.61	82.04	639.91
Net profit after taxation and extraordinary items	51.91	404.90	62.01	483.68

Upon completion of the Fourth Stage Acquisition, Widefaith, an investment holding company with no material assets and liabilities other than the investment in CFC, will become a subsidiary of both NWS and NWD, whilst CFC will continue to be a subsidiary of both NWS and NWD. Accordingly, the financial results of Widefaith and CFC will be consolidated into the financial statements of NWS and NWD.

## **LISTING RULES IMPLICATIONS**

In respect of each of NWD and NWS, certain applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the Fourth Stage Acquisition are more than 5%, and when aggregated with the First Stage Acquisition, the Second Stage Acquisition and the Third Stage Acquisition, are more than 5% but less than 25%. The Fourth Stage Acquisition constitutes a discloseable transaction for each of NWD and NWS and is subject to the notification and publication requirements as set out in Rules 14.34 to 14.37 under Chapter 14 of the Listing Rules.

CFC is an indirect non-wholly owned subsidiary of NWD and NWS. Kaiming is an associate of Widefaith which in turn, is a substantial shareholder of CFC. Hence, Kaiming is a connected person of NWD and NWS under Chapter 14A of the Listing Rules. The Fourth Stage Acquisition contemplated under the 75% Widefaith Sale and Purchase Agreement therefore constitutes a connected transaction for both NWD and NWS under Chapter 14A of the Listing Rules. As certain applicable percentage ratios for the Fourth Stage Acquisition exceed 5%, the Fourth Stage Acquisition is subject to the reporting, announcement and independent shareholders' approval requirements as set out in Rules 14A.45 to 14A.54 of the Listing Rules for each of NWD and NWS.

### **NWS Written Shareholder's Approval of the Fourth Stage Acquisition**

So far as the NWS Board is aware, no NWS Shareholder is required to abstain from voting on the resolutions to approve the Fourth Stage Acquisition. NWS has obtained a written shareholder's approval dated 17 November 2011 from NWD in relation to the approval of the Fourth Stage Acquisition. NWD is the holding company of NWS and holds (together with certain of its subsidiaries) 2,025,552,908 shares in NWS, representing approximately 59.77% of the total issued share capital of NWS as at the date of this announcement. The Stock Exchange has granted NWS a waiver from strict compliance with the requirement for holding a general meeting to seek independent shareholders' approval in respect of the Fourth Stage Acquisition pursuant to Rule 14A.43 of the Listing Rules on the basis that no NWS Shareholder would be required to abstain from voting if NWS were to convene a general meeting for the approval of the Fourth Stage Acquisition and NWS has obtained the written shareholder's approval from NWD in respect of the Fourth Stage Acquisition.

### **The NWD EGM**

The NWD EGM will be convened at which resolution in relation to the Fourth Stage Acquisition will be proposed to seek the approval of the NWD Independent Shareholders by way of poll.

## **INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

The NWS Independent Board Committee has been appointed to advise the NWS Independent Shareholders on the terms of the 75% Widefaith Sale and Purchase Agreement. CIMB Securities (HK) Limited has been appointed as the independent financial adviser to advise the NWS Independent Board Committee and the NWS Independent Shareholders on the terms of the 75% Widefaith Sale and Purchase Agreement.

The NWD Independent Board Committee has been appointed to advise the NWD Independent Shareholders on the terms of the 75% Widefaith Sale and Purchase Agreement. CIMB Securities (HK) Limited has also been appointed as the independent financial adviser to advise the NWD Independent Board Committee and the NWD Independent Shareholders on the terms of the 75% Widefaith Sale and Purchase Agreement.

## **DESPATCH OF CIRCULARS**

A circular containing, amongst others, (1) further information on the 75% Widefaith Sale and Purchase Agreement; (2) the recommendation from the NWS Independent Board Committee in respect of the Fourth Stage Acquisition; (3) the advice from the independent financial adviser, CIMB Securities (HK) Limited, appointed by NWS to advise the NWS Independent Board Committee and the NWS Independent Shareholders in respect of the Fourth Stage Acquisition; and (4) the valuation report on the fair market value of the 100% equity interest in the business enterprise of CFC from the independent valuer, American Appraisal China Limited, will be despatched to the NWS Shareholders as soon as practicable and in accordance with the Listing Rules.

A circular containing, amongst others, (1) further information on the 75% Widefaith Sale and Purchase Agreement; (2) the recommendation from the NWD Independent Board Committee in respect of the Fourth Stage Acquisition; (3) the advice from the independent financial adviser, CIMB Securities (HK) Limited, appointed by NWD to advise the NWD Independent Board Committee and the NWD Independent Shareholders in respect of the Fourth Stage Acquisition; (4) the valuation report on the fair market value of the 100% equity interest in the business enterprise of CFC from the independent valuer, American Appraisal China Limited; and (5) notice of the NWD EGM will be despatched to the NWD Shareholders as soon as practicable and in accordance with the Listing Rules.

## DEFINITION

Unless the context otherwise requires, capitalized terms used in this announcement shall have the following meaning:

“75% Widefaith Sale and Purchase Agreement”	the sale and purchase agreement in relation to the Fourth Stage Acquisition entered into among Kaiming, Moscan, Mr. Yuk and Ms. Wu on 17 November 2011
“Acquisitions”	acquisition by Moscan of approximately 22.68% of the total issued shares in CFC pursuant to the CFC Sale and Purchase Agreement, acquisition by Moscan of 25% of the total issued shares in Widefaith pursuant to the Widefaith Sale and Purchase Agreement, acquisition by Moscan of approximately 26.32% of the total issued shares in CFC pursuant to the TCI Sale and Purchase Agreement, and acquisition by Moscan of 75% of the total issued shares in Widefaith pursuant to the 75% Widefaith Sale and Purchase Agreement
“Business Day”	means any day (other than a Saturday, Sunday or public holiday) on which banks in Hong Kong are open for the transaction of normal business
“Completion”	completion of the sale and purchase of 75% of the total issued shares in Widefaith pursuant to the 75% Widefaith Sale and Purchase Agreement
“Completion Date”	the date which is the sixth Business Day (or such other Business Day agreed by the parties) after the date on which the last of the Conditions is satisfied or waived in accordance with the 75% Widefaith Sale and Purchase Agreement and in any event, not later than the Long-stop Date
“Completion Purchase Price Payment”	the amount being the Purchase Price minus (i) the Pre-signing Purchase Price Payment, (ii) the Signing Purchase Price Payment, and (iii) the Pre-completion Purchase Price Payment
“Conditions”	the conditions precedent to Completion as provided in the 75% Widefaith Sale and Purchase Agreement and each of the Conditions, a “Condition”

“Fourth Stage Acquisition”	acquisition by Moscan of 75% of the total issued shares in Widefaith pursuant to the 75% Widefaith Sale and Purchase Agreement, i.e. the acquisition of the Option Shares pursuant to the Put Option in the Widefaith Sale and Purchase Agreement exercised by Kaiming and an additional 10% of the total issued shares in Widefaith
“HK\$ Prime Rate”	The Hongkong and Shanghai Banking Corporation Limited’s Hong Kong dollar prime rate as quoted from time to time
“Long-stop Date”	means 31 January 2012 or such later date as may be agreed in writing between Moscan and Kaiming
“Material Pre-completion Default”	a breach(es) or default(s) of any obligation(s) or of any warranty(ies) of Kaiming and/or Mr. Yuk and Ms. Wu under the 75% Widefaith Sale and Purchase Agreement which is/are, or is reasonably likely, to have a negative monetary impact equal to or exceeding US\$20,000,000 (equivalent to approximately HK\$156.00 million) in aggregate upon the business, operations, assets, liabilities (including contingent liabilities), financial condition or prospects of the Widefaith Group (other than arising from matters disclosed) in the reasonable opinion of Moscan
“Mr. Yuk”	Yuk Kwok Cheung, Charles, who holds 100% of the total issued shares in Kaiming
“Ms. Wu”	Wu Laam, Anne, the former shareholder of Kaiming
“NWD Board”	the board of directors of NWD
“NWD EGM”	the extraordinary general meeting of NWD to be convened to approve the Fourth Stage Acquisition
“NWD Independent Board Committee”	the independent board committee of NWD comprising all the independent non-executive directors of NWD to advise the NWD Independent Shareholders in respect of the Fourth Stage Acquisition
“NWD Independent Shareholders”	NWD Shareholders other than those NWD Shareholders who have a material interest in the Fourth Stage Acquisition
“NWD Shareholders”	the shareholders of NWD
“NWS Board”	the board of directors of NWS

“NWS Independent Board Committee”	the independent board committee of NWS comprising all the independent non-executive directors of NWS to advise the NWS Independent Shareholders in respect of the Fourth Stage Acquisition
“NWS Independent Shareholders”	NWS Shareholders other than those NWS Shareholders who have a material interest in the Fourth Stage Acquisition
“NWS Shareholders”	the shareholders of NWS
“Pre-completion Purchase Price Payment”	US\$138,000,000 (equivalent to approximately HK\$1,076.40 million) payable by Moscan to Kaiming in accordance with the 75% Widefaith Sale and Purchase Agreement
“Pre-completion Default”	a breach(es) or default(s) of any obligation(s) or of any warranty(ies) of Kaiming and/or any of Mr. Yuk and Ms. Wu under the 75% Widefaith Sale and Purchase Agreement which is/are, or is reasonably likely, to have a negative monetary impact not exceeding US\$20,000,000 (equivalent to approximately HK\$156.00 million) in aggregate upon the business, operations, assets, liabilities (including contingent liabilities), financial condition or prospects of the Widefaith Group (other than in respect of the matters disclosed) in the reasonable opinion of Moscan
“Pre-signing Purchase Price Payment”	US\$63,610,526 (equivalent to approximately HK\$496.16 million) paid by Moscan to Kaiming as advanced part payment of the Purchase Price pursuant to the Widefaith Sale and Purchase Agreement
“Purchase Price”	US\$401,625,000 (equivalent to approximately HK\$3,132.68 million) (calculated on the basis of the Benchmark Price) plus the Daily Increment calculated on the basis of, and up to the respective dates of payment of, the Signing Purchase Price Payment, the Pre-completion Purchase Price Payment and the Completion Purchase Price Payment, and the Daily Increment in relation to the Pre-signing Purchase Price Payment calculated up to the date of the 75% Widefaith Sale and Purchase Agreement
“Signing Purchase Price Payment”	US\$80,000,000 (equivalent to approximately HK\$624.00 million) payable by Moscan to Kaiming immediately after the signing and delivery of the 75% Widefaith Sale and Purchase Agreement

*For the purpose of this announcement and for illustration purpose only, amounts denominated in US\$ have been translated into HK\$ using the following rate: US\$1=HK\$7.8. No representation is made that any amount in HK\$ or US\$ could have been or could be converted at the above rate or at any other rates at all.*

By order of the board of directors of  
**New World Development Company Limited**  
**Dr. Cheng Kar Shun, Henry**  
*Managing Director*

By order of the board of directors of  
**NWS Holdings Limited**  
**Dr. Cheng Kar Shun, Henry**  
*Chairman*

Hong Kong, 17 November 2011

*As at the date of this announcement, the NWD Board comprises (a) six executive directors, namely Dato' Dr. Cheng Yu Tung, Dr. Cheng Kar Shun, Henry, Dr. Sin Wai Kin, David, Mr. Liang Chong Hou, David, Mr. Cheng Chi Kong, Adrian and Mr. Cheng Chi Heng; (b) five non-executive directors, namely Mr. Cheng Kar Shing, Peter, Mr. Leung Chi Kin, Stewart, Mr. Chow Kwai Cheung, Mr. Liang Cheung Bui, Thomas and Ms. Ki Man Fung, Leonie; and (c) four independent non-executive directors, namely Mr. Yeung Ping Leung, Howard, Dr. Cha Mou Sing, Payson (alternate director to Dr. Cha Mou Sing, Payson: Mr. Cha Mou Zing, Victor), Mr. Ho Hau Hay, Hamilton and Mr. Lee Luen Wai, John.*

*As at the date of this announcement, the NWS Board comprises (a) six executive directors, namely Dr. Cheng Kar Shun, Henry, Mr. Tsang Yam Pui, Mr. Lam Wai Hon, Patrick, Mr. Cheung Chin Cheung, Mr. William Junior Guilherme Doo and Mr. Cheng Chi Ming, Brian; (b) four non-executive directors, namely Mr. Doo Wai Hoi, William, Mr. Wilfried Ernst Kaffenberger (alternate director to Mr. Wilfried Ernst Kaffenberger: Mr. Yeung Kun Wah, David), Mr. To Hin Tsun, Gerald and Mr. Dominic Lai; and (c) three independent non-executive directors, namely Mr. Kwong Che Keung, Gordon, Dr. Cheng Wai Chee, Christopher and The Honourable Shek Lai Him, Abraham.*

\* *For identification purposes only*