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**Chow Tai Fook Enterprises Limited**  
*(incorporated in Hong Kong with limited liability)*

**Century Acquisition Limited**  
*(incorporated in the British Virgin Islands with limited liability)*



**新世界發展有限公司**  
New World Development Company Limited  
*(incorporated in Hong Kong with limited liability)*  
(Stock Code: 0017)



**新創建 NWS**

新創建集團有限公司  
NWS HOLDINGS LIMITED  
*(incorporated in Bermuda with limited liability)*  
(stock code: 00659)

## JOINT ANNOUNCEMENT

- (1) PRE-CONDITIONAL VOLUNTARY GENERAL CASH OFFERS BY THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED, BOCI ASIA LIMITED AND ING BANK N.V. ON BEHALF OF THE OFFEROR TO ACQUIRE ALL THE ISSUED SHARES OF NWS (OTHER THAN THOSE ALREADY BENEFICIALLY OWNED BY THE CTFH GROUP) AND TO CANCEL ALL THE OUTSTANDING SHARE OPTIONS OF NWS**
- (2) POSSIBLE MAJOR TRANSACTION AND CONNECTED TRANSACTION OF NWD**
- (3) RESUMPTION OF TRADING IN THE SECURITIES OF NWD AND NWS**

**Sole Structuring Adviser and  
Joint Financial Adviser to  
CTFE and the Offeror**



**The Hongkong and Shanghai  
Banking Corporation Limited**

**Joint Financial Adviser to  
CTFE and the Offeror**



**BOCI Asia Limited**

**Joint Financial Adviser to  
CTFE and the Offeror**



**ING Bank N.V.**

## The NWS Share Offer

The Offeror, a wholly-owned subsidiary of CTFE, firmly intends, subject to the satisfaction or waiver (where applicable) of the Pre-Conditions, to make a conditional voluntary general cash offer to acquire all the issued shares of NWS not already beneficially owned by the CTFH Group. For the avoidance of doubt, the NWS Offer Shares include the NWS Shares owned by the NWD Group and other Offeror Concert Parties (other than the CTFH Group).

Subject to the satisfaction or waiver (where applicable) of the Pre-Conditions, the NWS Share Offer will be made by the Joint Financial Advisers on behalf of the Offeror in compliance with the Takeovers Code on the basis set out below.

For each NWS Offer Share . . . . . HK\$9.15 in cash

**Save for the final dividend (if any) for the year ending 30 June 2023, if, after the Announcement Date but before the NWS Share Offer Closing Date, any dividend and/or other distribution and/or other return of capital is announced, declared or paid in respect of the NWS Shares, the Offeror reserves the right to reduce the NWS Share Offer Price by all or any part of the amount or value of such dividend, distribution and/or, as the case may be, return of capital, in which case any reference in this joint announcement, the Composite Document or any other announcement or document to the NWS Share Offer Price will be deemed to be a reference to the NWS Share Offer Price as so reduced (and the NWS Option Offer Price shall be reduced accordingly). For the avoidance of doubt, assuming that the NWS Offers become unconditional, if any dividend and/or other distribution and/or other return of capital is announced, declared or paid in respect of the NWS Shares on or after the NWS Share Offer Closing Date, NWS Shareholders who accept the NWS Share Offer will not be entitled thereto.**

## The NWS Option Offer and the NWS Option Offer Price

Under the NWS Option Offer, the Offeror will, in accordance with Rule 13 of the Takeovers Code, offer the NWS Optionholders the NWS Option Offer Price (which is the “see-through” price, being the NWS Share Offer Price minus the exercise price of the relevant NWS Option) in cash for the cancellation of each NWS Option they hold, whether vested or unvested, provided that if the exercise price of any NWS Option is equal to or greater than the NWS Share Offer Price (such that the “see-through” price is zero or negative), the NWS Option Offer Price will be a nominal amount of HK\$0.01 for every 100 NWS Options (or, if lesser, any part thereof). The table below sets out the exercise price and the corresponding “see-through” price for the 84,638,650 NWS Options outstanding as at the Announcement Date:

<b>NWS Option exercise price per NWS Share (HK\$)</b>	<b>NWS Option Offer Price per NWS Option based on the NWS Share Offer Price of HK\$9.15 per NWS Offer Share (HK\$)</b>	<b>Number of NWS Options (each carrying the right to subscribe for one new NWS Share)</b>
7.83	1.32	84,638,650

## **PRE-CONDITIONS TO THE NWS OFFERS**

The making of the NWS Offers is subject to the satisfaction or waiver (where applicable) of the following Pre-Conditions:

- (a) (i) the Insurance Authority Approval and the Bermuda Monetary Authority Approval having been obtained and remaining in full force and effect; and (ii) all other necessary Authorisations for the consummation of the NWS Offers under applicable laws and regulations having been obtained (or, as the case may be, completed) and remaining in full force and effect; and
- (b) all required consents or waivers having been obtained in respect of any Relevant Loan Terms, and such consents and waivers not having been rescinded and remaining in full force and effect.

If the Pre-Conditions are not satisfied or waived (where applicable) on or before the Long Stop Date, the NWS Offers will not be made. The Offeror and NWS will issue a further announcement as soon as practicable after the Pre-Conditions have been satisfied or waived (where applicable).

## **CONDITIONS TO THE NWS OFFERS**

The NWS Share Offer, if made, will be subject to the satisfaction or waiver (where applicable) of the following Conditions:

- (a) the approval of the NWD Disposal by the Independent NWD Shareholders in accordance with the Listing Rules;
- (b) valid acceptances of the NWS Share Offer being received from the NWD Group by 4:00 p.m. on the NWS Share Offer Closing Date (and not, where permitted, withdrawn) in respect of 2,380,495,938 NWS Shares (being the number of the NWS Shares held by the NWD Group, representing 60.88% of the issued share capital of NWS, as at the Announcement Date);
- (c) the NWS Shares remaining listed and traded on the Main Board of the Stock Exchange up to and including the NWS Share Offer Closing Date (save for any temporary suspension of trading of the NWS Shares pending any announcement in connection with the NWS Offers or other inside information) and no indication being received on or before the NWS Share Offer Closing Date from the SFC and/or the Stock Exchange to the effect that the listing of the NWS Shares on the Stock Exchange is or is likely to be withdrawn or suspended;
- (d) no event having occurred which would make any of the NWS Offers, the acquisition of any of the NWS Offer Shares or the cancellation of the NWS Options under the NWS Offers void, unenforceable or illegal, would prohibit the implementation of any of the NWS Offers or would impose any material conditions or obligations with respect to any of the NWS Offers or their implementation in accordance with their respective terms;

- (e) all necessary consents in connection with the NWS Offers and/or (in the event that the Offeror were to exercise the right (if any) to acquire compulsorily those NWS Offer Shares not already beneficially owned or acquired by the CTFH Group) the possible withdrawal of the listing of the NWS Shares from the Stock Exchange which may be required under any existing contractual or other obligations of NWS having been obtained and remaining in effect;
- (f) no government, court or governmental, quasi-governmental, statutory or regulatory body or agency in Hong Kong, Bermuda or any other 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 any of the NWS Offers or their implementation in accordance with their respective terms void, unenforceable, illegal or impracticable (or which would impose any material conditions or obligations with respect to any of the NWS Offers or their implementation in accordance with their respective terms);
- (g) since the Announcement Date, there having been no material adverse change in the business, assets, financial or trading position or the prospects or conditions (whether operational, legal or otherwise) of the NWS Group to an extent which is material in the context of the NWS Group; and
- (h) save for any existing claim by NWS Group in respect of its six aircraft located in Russia or as otherwise disclosed by NWS on or before the Announcement Date, there having, since the Announcement Date, not been instituted any, and there remaining no outstanding, litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the NWS Group is a party (whether as plaintiff, defendant or otherwise), and no such proceedings having, since the Announcement Date, been threatened in writing against any such member (and no investigation by any government, court or governmental, quasi-governmental, statutory or regulatory body or agency in Hong Kong, Bermuda or any other jurisdiction against or in respect of any such member or the business carried on by any such member having, since the Announcement Date, been threatened in writing, announced or instituted or remaining outstanding against or in respect of any such member), in each case, which is material and adverse in the context of the NWS Group or in the context of the NWS Offers.

The Offeror reserves the right to waive, in whole or in part, all or any of the Conditions (other than Condition (a)). As at the Announcement Date, the Offeror is not aware of any consent required under Condition (e) other than consents from the contract parties under certain existing operational agreements entered into by the NWS Group in its ordinary course of business.

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

## **VALUE OF THE NWS OFFERS**

On the assumption that before the close of the NWS Share Offer the number of NWS Shares will not change (whether by way of any exercise of the NWS Options or otherwise) and the number of NWS Options will not change, there will be 3,791,380,925 NWS Offer Shares (representing 96.96% of the issued share capital of NWS as at the Announcement Date) and 84,638,650 NWS Options, the value of the NWS Share Offer will be approximately HK\$34,691 million and the total amount required to satisfy the cancellation of all NWS Options will be approximately HK\$112 million. On this basis, in aggregate, the NWS Offers will be valued at approximately HK\$34,803 million.

On the assumption that before the close of the NWS Share Offer the number of NWS Options will not change and all NWS Options will be exercised, NWS will have to issue 84,638,650 new NWS Shares, representing 2.16% of the issued share capital of NWS as at the Announcement Date and 2.12% of the enlarged issued share capital of NWS. On this basis and on the assumption that the number of NWS Shares will otherwise not change, there will be 3,876,019,575 NWS Offer Shares (including the new NWS Shares issued as a result of the exercise of the NWS Options) (representing 97.02% of the enlarged share capital of NWS) and the value of the NWS Share Offer will be approximately HK\$35,466 million. In this case, no amount will be payable by the Offeror under the NWS Option Offer.

## **POSSIBLE COMPULSORY ACQUISITION AND WITHDRAWAL OF LISTING OF NWS SHARES**

If (a) the level of acceptances of the NWS Share Offer (or the Offeror's holding of the total issued share capital of NWS) reaches the prescribed threshold under Section 103(1) of the Companies Act; and (b) acceptances of the NWS Share Offer in respect of the Disinterested NWS Shares and purchases of the Disinterested NWS Shares made by the Offeror and the Offeror Concert Parties during the period of four (4) months after the posting of the Composite Document amount to not less than 90% of the Disinterested NWS Shares, the Offeror will be entitled to exercise its right under Section 103(1) of the Companies Act and pursuant to Rule 2.11 of the Takeovers Code to compulsorily acquire all those NWS Offer Shares not already beneficially owned or acquired by the CTFH Group, and may, but is not obliged to, exercise such right. If the Offeror does exercise such right and completes the compulsory acquisition, NWS will become an indirect wholly-owned subsidiary of CTFH, an application will be made for the withdrawal of the listing of the NWS Shares from the Stock Exchange pursuant to Rule 6.15 of the Listing Rules and a suspension of dealings in the NWS Shares from the close of the NWS Share Offer up to the withdrawal of listing of NWS Shares from the Stock Exchange.

The Stock Exchange has stated that (a) if, at the close of the NWS Share Offer, less than the minimum prescribed percentage applicable to NWS, being 25% of the issued NWS Shares, are held by the public; or (b) if the Stock Exchange believes that (i) a false market exists or may exist in the trading of the NWS Shares; or (ii) that there are insufficient NWS Shares in public hands to maintain an orderly market, it will consider exercising its discretion to suspend dealings in the NWS Shares.

In the event that the Offeror does not effect the compulsory acquisition of the remaining NWS Offer Shares, whether by reason of the level of acceptances of the NWS Share Offer not reaching the prescribed thresholds under the Companies Act or the Takeovers Code or otherwise, the Offeror will take such steps as are necessary to ensure, or procure NWS to take such steps as are necessary to ensure, that NWS will have an adequate public float so as to comply with the applicable requirements under the Listing Rules.

### **NWS IBC AND NWS IFA**

The NWS Board has established the NWS IBC, comprising Mr. To Hin Tsun, Gerald, Mr. Dominic Lai, Mr. Shek Lai Him, Abraham, Mr. Lee Yiu Kwong, Alan, Mrs. Oei Wai Chi Grace Fung, Mr. Wong Kwai Huen, Albert, Professor Chan Ka Keung, Ceajer and Ms. Ng Yuen Ting, Yolanda, to make a recommendation to the Disinterested NWS Shareholders and the Disinterested NWS Optionholders as to whether the NWS Offers are, or are not, fair and reasonable and as to acceptance.

Pursuant to Rule 2.8 of the Takeovers Code, the NWS IBC is required to comprise all the non-executive NWS Directors who have no direct or indirect interest in the NWS Offers other than as holders of the NWS Shares and/or the NWS Options. Mr. William Doo Junior is presumed to be acting in concert with the Offeror in relation to NWS under class 8 of the definition of “acting in concert” under the Takeovers Code (for details, please see Note 4 to the shareholding table of NWS in “12. Shareholding Structure of NWS — Shareholding Structure of NWS as at the Announcement Date” in this joint announcement). Mr. William Doo Junior is accordingly regarded as being interested in the NWS Offers for the purposes of Rule 2.8 of the Takeovers Code and is not a member of the NWS IBC. All of the other non-executive directors and all the independent non-executive directors of NWS are members of the NWS IBC.

NWS will appoint the NWS IFA (with the approval of the NWS IBC) to advise the NWS IBC in connection with the NWS Offers. A further announcement will be made after the NWS IFA has been appointed.

### **COMPOSITE DOCUMENT**

Subject to the satisfaction or waiver (where applicable) of the Pre-Conditions, the Composite Document containing, among other things, (a) further terms and details of the NWS Offers; (b) the recommendations from the NWS IBC with respect to the NWS Offers; and (c) the advice of the NWS IFA to the NWS IBC, and enclosing the forms of acceptance will be despatched to the NWS Shareholders and the NWS Optionholders as soon as practicable in compliance with the requirements of the Takeovers Code and other applicable laws and regulations. A letter containing the details of the NWS Option Offer will also be despatched to the NWS Optionholders at or around the same time as the despatch of the Composite Document.

## **POSSIBLE MAJOR TRANSACTION AND CONNECTED TRANSACTION OF NWD**

The NWS Share Offer, if made, will be subject to the satisfaction or waiver (where applicable) of, among other Conditions, the Condition that valid acceptances of the NWS Share Offer being received in respect of all the NWS Shares owned by the NWD Group. For details, please see Condition (b) in “8. Conditions to the NWS Offers” in this joint announcement. Therefore, the NWD Disposal, if it proceeds, will be a disposal by the NWD Group of all of its NWS Shares. As the highest applicable percentage ratio for NWD in respect of the NWD Disposal exceeds 25% but is less than 75%, the NWD Disposal constitutes a major transaction for NWD under Chapter 14 of the Listing Rules.

As at the Announcement Date, CTFE and the Relevant CTFE Subsidiaries together hold approximately 45.24% of the total issued share capital of NWD. Therefore, CTFE is a connected person of NWD under the Listing Rules and the NWD Disposal constitutes a connected transaction for NWD under Chapter 14A of the Listing Rules.

The NWD Disposal is subject to the reporting, announcement and independent shareholders’ approval requirements under Chapters 14 and 14A of the Listing Rules.

### **NWD DIRECTORS’ VIEWS AND THE NWD EGM**

The NWD Board considers that the NWS Share Offer (the acceptance of which would result in the NWD Disposal) should be put forward to the Independent NWD Shareholders for their consideration and, if thought fit, approval at the NWD EGM. The NWD IFA will be appointed to make a recommendation to the NWD IBC and the Independent NWD Shareholders on the NWD Disposal as a connected transaction of NWD subject to the independent shareholders’ approval requirement under Chapter 14A of the Listing Rules.

Dr. Henry Cheng, Dr. Adrian Cheng, Mr. Peter Cheng, Ms. Sonia Cheng, Mr. Cheng Chi Heng, Mr. William Doo Senior, Mr. Brian Cheng and Mr. Ma Siu Cheung were required to abstain, and did abstain, from voting on the board resolutions of NWD in connection with the NWD Disposal because of their material interests in the NWD Disposal. The other NWD Directors have yet to form their views on the merits of the NWD Disposal, and they (including the members of the NWD IBC after having received the NWD IFA’s advice on the NWD Disposal) will express their views in the circular for the NWD EGM in relation to the NWD Disposal.

The circular for the NWD EGM in relation to the NWD Disposal is expected to be despatched by NWD to the NWD Shareholders as soon as practicable after the despatch of the Composite Document.

The circular will contain, among others, (i) further details of the NWD Disposal; (ii) the views of and recommendations from the NWD Board (including the NWD IBC, but excluding the NWD Directors who are required to abstain from voting on the relevant NWD Board resolutions in connection with the NWD Disposal by virtue of their material interests in the NWD Disposal) in connection with the NWD Disposal; (iii) the views of and recommendations from the NWD IBC with respect to the NWD Disposal; and (iv) the advice of the NWD IFA to the NWD IBC and the Independent NWD Shareholders on the NWD Disposal, together with the notice of the NWD EGM.

## **REASONS FOR AND BENEFITS OF THE NWS OFFERS**

The principal reasons for and benefits of the NWS Offers (as considered by the Offeror) for NWD, all NWS Shareholders (including NWD), the NWS Group and CTFE are summarised below:

### **(a) For NWS Shareholders**

#### *For NWD only*

- Immediately strengthen NWD's financial position
- Enhance the strategic focus of NWD on property development, property investment and property related businesses, and other relevant customer focused businesses
- Unlock value for NWD Shareholders

#### *For all NWS Shareholders (including NWD)*

- The NWS Share Offer Price represents an attractive exit premium
- An opportunity for NWS Shareholders to monetise NWS Shares without adversely affecting the market price
- NWS Shareholders are unlikely to receive an alternative offer on more favourable terms or at all

### **(b) For the NWS Group**

- Enhance financial flexibility

### **(c) For CTFE**

- Increase its interest in the NWS Group with the Offeror (wholly-owned by CTFE) becoming a direct controlling shareholder of NWS

For details, please see "28. Reasons for and benefits of the NWS Offers" in this joint announcement.



## **INTENTIONS OF THE OFFEROR WITH REGARD TO THE NWS GROUP**

As at the Announcement Date, it is the intention of the Offeror that, subject to the results of the Review (as defined below), after the close of the NWS Offers, (i) there will not be significant changes in the management and continued employment of the employees of the NWS Group; (ii) the NWS Group will continue with its existing businesses; and (iii) no major changes will be introduced to the existing operations or business of the NWS Group (including any redeployment of fixed assets of the NWS Group) other than in its ordinary course of business.

The Offeror will, following the close of the NWS Offers, conduct a review (“**Review**”) of, among others, the business operations and strategies, asset portfolio, financial position and dividend policy of the NWS Group, with a view to optimising the business plans and strategies for the future business development of the NWS Group and creating further value for NWS Shareholders.

Subject to the results of the Review and in compliance with all applicable legal and regulatory requirements, the Offeror intends to explore opportunities together with the NWS Board to:

- (i) rationalise and develop a sustainable and balanced financing strategy focused on the financial conditions and needs of the NWS Group with a view to optimising its capital structure, which may include proactively pursuing financing and re-financing opportunities that may be available to the NWS Group following the NWD Disposal;
- (ii) increase NWS’ total dividend payout. NWS is currently committed to delivering a sustainable and progressive dividend policy, which aims to steadily increase or at least maintain the Hong Kong dollar amount of the total ordinary dividend per share in respect of each financial year. Subject to the results of the Review, the Offeror intends to request the NWS Board to maximise the total dividend payout of NWS by paying special dividends in addition to ordinary dividends subject to compliance with applicable legal and regulatory requirements, approval by the NWS Board and NWS Shareholders where required, and taking into account the financial performance (such as the capital structure, cash flow and liquidity position) and future funding needs of the NWS Group, the prevailing economic and market conditions and any other relevant matters that may impact the business or financial performance of the NWS Group; and

(iii) proactively optimise the NWS Group's business and asset portfolio. In line with NWS' strategy to crystallise value from its business portfolio to achieve sustainable long term growth, prudent risk management and value for all stakeholders, the NWS Group has made certain investments and disposed of certain non-core businesses and investments in recent years. For instance, in the last three years, the NWS Group acquired a 40% interest in Guigang-Wuzhou Expressway (貴港至梧州高速公路) and seven logistics warehouses in Chengdu, Wuhan and Suzhou, and disposed of the aircraft leasing platform owned by Goshawk Aviation Limited, NWS Transport Services Limited, SUEZ NWS Limited and 廈門集裝箱碼頭集團有限公司 (Xiamen Container Terminal Group Co., Ltd.\*), to name a few. The Offeror intends that NWS should proactively further this strategy and continuously monitor the composition of its business and asset portfolio, including identifying and realising its investments in assets which no longer complement the future business development of the NWS Group or where the disposal will enhance the value to its shareholders. The Offeror believes that this would enable the NWS Group to better focus its resources on its core businesses, optimise its asset portfolio and returns to its shareholders, and enhance corporate efficiency in the long run.

#### **CONFIRMATION OF FINANCIAL RESOURCES**

The maximum amount of cash required to implement the NWS Offers would be approximately HK\$35,512 million (assuming that the number of NWS Options will not change, all NWS Options will be exercised before the close of the NWS Share Offer and no further NWS Shares will be issued other than as a result of the exercise of the NWS Options and taking into account the buyer's ad valorem stamp duty payable by the Offeror).

HSBC, being one of the Joint Financial Advisers, is satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptance of the NWS Offers in accordance with their respective terms.

## **RESUMPTION OF TRADING IN THE SECURITIES OF NWD AND NWS**

At the request of NWD, trading in the NWD Shares and NWD Bonds on the Stock Exchange was halted from 3:42 p.m. on 23 June 2023 pending the release of this joint announcement. An application has been made by NWD to the Stock Exchange for a resumption of trading in the NWD Shares and NWD Bonds with effect from 9:00 a.m. on 27 June 2023.

At the request of NWS, trading in the NWS Shares and NWS Bonds on the Stock Exchange was halted from 1:05 p.m. on 23 June 2023 pending the release of this joint announcement. An application has been made by NWS to the Stock Exchange for a resumption of trading in the NWS Shares and NWS Bonds with effect from 9:00 a.m. on 27 June 2023.

### **WARNING**

**As the making of the NWS Offers is subject to the satisfaction or waiver of the Pre-Conditions, the NWS Offers are a possibility only and may or may not be made. Completion of the NWS Share Offer (if made) will be subject to the Conditions being satisfied or waived. Accordingly, the NWD Disposal may or may not proceed. Additionally, completion of the NWS Option Offer (if made) will be subject to and conditional upon the NWS Share Offer becoming or being declared unconditional in all respects. Shareholders and holders of options and other securities of and potential investors in NWD and NWS should therefore exercise caution when dealing in the securities of NWD and NWS. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.**

## NOTICE TO U.S. HOLDERS OF NWS SECURITIES

*The NWS Offers are being made for the securities of an exempted company incorporated in Bermuda with limited liability and are subject to Hong Kong disclosure and other procedural requirements, which are different from those of the U.S. The financial information included in this joint announcement has been prepared in accordance with Hong Kong Financial Reporting Standards and thus may not be comparable to financial information of U.S. companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the U.S. The NWS Offers will be made in the U.S. pursuant to the applicable U.S. tender offer rules or certain available exemptions or exceptions therefrom and otherwise in accordance with the requirements of the SFO. Accordingly, the NWS Offers will be subject to disclosure and other procedural requirements, including with respect to withdrawal rights, offer timetable, settlement procedures and timing of payments that are different from those applicable under U.S. domestic tender offer procedures and law.*

*The receipt of cash pursuant to the NWS Offers by a U.S. holder of NWS Shares and/or NWS Options, respectively, may be a taxable transaction for U.S. federal income tax purposes and under applicable state and local, as well as foreign and other tax laws. Each holder of NWS Shares and/or NWS Options is urged to consult his/her/its independent professional adviser immediately regarding the tax consequences of acceptance of the NWS Offers.*

*U.S. holders of NWS Shares, NWS Options and NWS ADSs may encounter difficulty enforcing their rights and any claims arising out of the U.S. federal securities laws, as each of the Offeror and NWS is located in a country outside the U.S. and some or all of their respective officers and directors may be residents of a country other than the U.S.. U.S. holders of NWS Shares and NWS Options may not be able to sue a non-U.S. company or its officers or directors in a non-U.S. court for violations of U.S. securities laws. Further, U.S. holders of NWS Shares and NWS Options may encounter difficulty compelling a non-U.S. company and its affiliates to subject themselves to a U.S. court's judgment.*

*In accordance with normal Hong Kong practice and pursuant to Rule 14e-5(b) of the U.S. Exchange Act, the Offeror hereby discloses that it or its affiliates, or its nominees, or their respective brokers (acting as agents) may from time to time make certain purchases of, or arrangements to purchase, NWS Shares outside of the U.S., other than pursuant to the NWS Share Offer, before or during the period in which the NWS Share Offer remains open for acceptance. To the extent permissible under applicable laws and regulations, including Rule 14e-5 under the U.S. Exchange Act, and in accordance with normal Hong Kong practice, HSBC, BOCI and some of their respective affiliates may continue to act as exempt principal traders and exempt fund managers (as recognised by the SFC) in the NWS Shares and any securities that are immediately convertible into, exchangeable for or exercisable for NWS Shares. These purchases or arrangements to purchase may occur either in the open market at prevailing prices or in private transactions at negotiated prices, provided that any such purchase or arrangement complies with applicable law and the Takeovers Code and to the extent required by Rule 14e-5(b) of the U.S. Exchange Act, is made outside the U.S.. Any information about such purchases will be reported to the SFC and, to the extent required to be publicly disclosed under the Takeovers Code, will be available on the websites of the SFC and the Stock Exchange at <https://www.sfc.hk> and <https://www.hkexnews.hk>, respectively.*

**PART (1): PRE-CONDITIONAL VOLUNTARY GENERAL CASH OFFERS BY THE JOINT FINANCIAL ADVISERS ON BEHALF OF THE OFFEROR TO ACQUIRE ALL THE ISSUED SHARES OF NWS (OTHER THAN THOSE ALREADY BENEFICIALLY OWNED BY THE CTFH GROUP) AND TO CANCEL ALL THE OUTSTANDING SHARE OPTIONS OF NWS**

**1. INTRODUCTION**

The Offeror, a wholly-owned subsidiary of CTFE, firmly intends, subject to the satisfaction or waiver (where applicable) of the Pre-Conditions, to make a conditional voluntary general cash offer to acquire all the issued shares of NWS not already beneficially owned by the CTFH Group and to cancel all the outstanding share options of NWS. For the avoidance of doubt, the NWS Offer Shares include the NWS Shares owned by the NWD Group and other Offeror Concert Parties (other than the CTFH Group).

**2. THE NWS SHARE OFFER**

Subject to the satisfaction or waiver (where applicable) of the Pre-Conditions, the NWS Share Offer will be made by the Joint Financial Advisers on behalf of the Offeror in compliance with the Takeovers Code on the basis set out below.

For each NWS Offer Share . . . . . HK\$9.15 in cash

Save for the final dividend (if any) for the year ending 30 June 2023, if, after the Announcement Date but before the NWS Share Offer Closing Date, any dividend and/or other distribution and/or other return of capital is announced, declared or paid in respect of the NWS Shares, the Offeror reserves the right to reduce the NWS Share Offer Price by all or any part of the amount or value of such dividend, distribution and/or, as the case may be, return of capital, in which case any reference in this joint announcement, the Composite Document or any other announcement or document to the NWS Share Offer Price will be deemed to be a reference to the NWS Share Offer Price as so reduced (and the NWS Option Offer Price shall be reduced accordingly). As at the Announcement Date, no dividend, other distribution or other return of capital in respect of the NWS Shares has been announced or declared but not paid. For the avoidance of doubt, assuming that the NWS Offers become unconditional, if any dividend and/or other distribution and/or other return of capital is announced, declared or paid in respect of the NWS Shares on or after the NWS Share Offer Closing Date, NWS Shareholders who accept the NWS Share Offer will not be entitled thereto.

As at the Announcement Date, (i) the NWS Board has not announced or declared any dividend, distribution or other return of capital which remains unpaid; and (ii) save for the final dividend (if any) for the year ending 30 June 2023 and the interim dividend (if any) for the six months ending 31 December 2023, the NWS Board does not intend to announce, recommend, declare and/or pay any dividend, distribution or other return of capital before the NWS Share Offer Closing Date or the lapse of the NWS Offers (as the case may be).

The NWS Share Offer Price was determined by the Offeror after taking into account, among other things, (i) the recent and historical trading prices of the NWS Shares, (ii) the recent financial performance of the NWS Group and (iii) the premium to historical trading prices of shares with reference to other voluntary general offer transactions in Hong Kong in recent years. Please refer to “3. NWS Share Offer Price” and “28. Reasons for and benefits of the NWS Offers” in this joint announcement for comparisons between the NWS Share Offer Price and historical trading prices of NWS Shares or the historical net asset value per NWS Share.

### **3. NWS SHARE OFFER PRICE**

The NWS Share Offer Price of HK\$9.15 per NWS Offer Share under the NWS Share Offer represents:

- (a) a premium of 14.5% over the closing price of HK\$7.99 per NWS Share as quoted on the Stock Exchange immediately prior to the halt in the trading of the NWS Shares on the Last Trading Date;
- (b) a premium of 22.2% over the closing price of HK\$7.49 per NWS Share as quoted on the Stock Exchange on the Last Full Trading Date;
- (c) a premium of 23.6% over the average closing price of HK\$7.40 per NWS Share, being the average closing price of NWS Shares as quoted on the Stock Exchange for the five trading days immediately prior to and including the Last Full Trading Date;
- (d) a premium of 24.0% over the average closing price of HK\$7.38 per NWS Share, being the average closing price of NWS Shares as quoted on the Stock Exchange for the ten trading days immediately prior to and including the Last Full Trading Date;
- (e) a premium of 30.9% over the average closing price of HK\$6.99 per NWS Share, being the average closing price of NWS Shares as quoted on the Stock Exchange for the 30 trading days immediately prior to and including the Last Full Trading Date;
- (f) a premium of 32.1% over the average closing price of HK\$6.93 per NWS Share, being the average closing price of NWS Shares as quoted on the Stock Exchange for the 60 trading days immediately prior to and including the Last Full Trading Date;
- (g) a premium of 34.4% over the average closing price of HK\$6.81 per NWS Share, being the average closing price of NWS Shares as quoted on the Stock Exchange for the 180 trading days immediately prior to and including the Last Full Trading Date;
- (h) a discount of 17.4% to the audited consolidated net asset value attributable to NWS Shareholders per NWS Share of HK\$11.07 as at 30 June 2022, based on the total number of issued NWS Shares as at 30 June 2022; and

- (i) a discount of 9.9% to the unaudited consolidated net asset value attributable to NWS Shareholders per NWS Share of HK\$10.15 as at 31 December 2022, based on the total number of issued NWS Shares as at 31 December 2022.

#### 4. HIGHEST AND LOWEST CLOSING PRICES OF NWS SHARES

During the period of six months ended on and including the Last Full Trading Date, the highest closing price of NWS Shares as quoted on the Stock Exchange was HK\$7.56 per NWS Share on 1 February 2023 and the lowest closing price of NWS Shares as quoted on the Stock Exchange was HK\$6.46 per NWS Share on 31 May 2023.

#### 5. THE NWS OPTION OFFER AND THE NWS OPTION OFFER PRICE

As at the Announcement Date, there are 84,638,650 NWS Options entitling the NWS Optionholders to subscribe for an aggregate of 84,638,650 NWS Shares at an exercise price of HK\$7.83 per NWS Share. The exercise of such NWS Options in full would result in the issue of 84,638,650 new NWS Shares, representing 2.16% of the issued share capital of NWS as at the Announcement Date and 2.12% of the enlarged issued share capital of NWS.

In accordance with Rule 13 of the Takeovers Code, subject to the satisfaction or waiver (where applicable) of the Pre-Conditions, the Offeror will make (or procure to be made on its behalf) an appropriate offer to all the NWS Optionholders for the cancellation of every NWS Option, whether vested or unvested, by way of the NWS Option Offer.

Under the NWS Option Offer, the Offeror will, in accordance with Rule 13 of the Takeovers Code, offer the NWS Optionholders the NWS Option Offer Price (which is the “see-through” price, being the NWS Share Offer Price minus the exercise price of the relevant NWS Option) in cash for the cancellation of each NWS Option they hold, whether vested or unvested, provided that if the exercise price of any NWS Option is equal to or greater than the NWS Share Offer Price (such that the “see-through” price is zero or negative), the NWS Option Offer Price will be a nominal amount of HK\$0.01 for every 100 NWS Options (or, if lesser, any part thereof). The table below sets out the exercise price and the corresponding “see-through” price for the 84,638,650 NWS Options outstanding as at the Announcement Date:

NWS Option exercise price per NWS Share (HK\$)	NWS Option Offer Price per NWS Option based on the NWS Share Offer Price of HK\$9.15 per NWS Offer Share (HK\$)	Number of NWS Options (each carrying the right to subscribe for one new NWS Share)
7.83	1.32	84,638,650

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

If any NWS Option is exercised in accordance with the terms of the NWS Share Option Scheme, any NWS Shares issued prior to the close of the NWS Share Offer as a result of such exercise will be subject to the NWS Share Offer.

As the Offeror will obtain control (as defined in the Takeovers Code) of NWS upon completion of the NWS Offers, pursuant to the rules of the NWS Share Option Scheme, within the period of six (6) months after such control has been obtained, the NWS Optionholders shall be entitled to exercise any NWS Option (whether or not it has vested at the relevant time) in whole or in part at any time, and to the extent that it has not been so exercised, any NWS Option shall lapse upon the expiry of such six-month period, provided that if, during such six-month period, the Offeror becomes entitled to exercise rights of compulsory acquisition of NWS Shares pursuant to Section 103 of the Companies Act and gives notice in writing to any NWS Shareholders that it intends to exercise such rights, the NWS Options shall remain exercisable until 14 days from the date of such notice and, to the extent that they have not been exercised, shall thereupon lapse. For details of the circumstances under which the Offeror may become entitled to exercise the right of compulsory acquisition under the Companies Act, please see “10. Possible compulsory acquisition and withdrawal of listing of NWS shares” in this joint announcement.

## **6. ARRANGEMENT WITH REGARD TO NWS ADS**

As at the Last Trading Date, there were 3,910,427,849 NWS Shares in issue, including 455,340 NWS Shares (representing 0.01% of the issued share capital of NWS) represented by the 45,534 NWS ADSs.

The NWS Share Offer is not addressed to holders of NWS ADSs, and NWS ADSs may not be tendered into the NWS Share Offer. Each NWS ADS represents 10 NWS Shares deposited with Deutsche Bank Trust Company Americas, the depositary bank appointed by NWS. Holders of NWS ADSs who wish to participate in the NWS Share Offer may contact the depositary bank to withdraw the underlying NWS Shares in accordance with the normal NWS ADSs cancellation process, which may then be tendered into the NWS Share Offer. Holders of NWS ADSs should contact the depositary bank in case they have questions in relation to this process.



## 7. PRE-CONDITIONS TO THE NWS OFFERS

The making of the NWS Offers is subject to the satisfaction or waiver (where applicable) of the following Pre-Conditions:

- (a) (i) the Insurance Authority Approval and the Bermuda Monetary Authority Approval having been obtained and remaining in full force and effect; and (ii) all other necessary Authorisations for the consummation of the NWS Offers under applicable laws and regulations having been obtained (or, as the case may be, completed) and remaining in full force and effect; and
- (b) all required consents or waivers having been obtained in respect of any Relevant Loan Terms, and such consents and waivers not having been rescinded and remaining in full force and effect.

Pre-Condition (a) above may not be waived. Pre-Condition (b) above may be waived, either in whole or in part, either generally or in respect of any matter, by the Offeror.

FTLife Insurance is a wholly-owned subsidiary of NWS. Pursuant to a notice issued under 35(1) of the Insurance Ordinance, FTLife Insurance is required to obtain written consent, approval and/or no-objection letter from the Insurance Authority of Hong Kong before the Offeror becoming a new controller. Under the Insurance Ordinance, a “controller” includes a person who, alone or with an associate or through a nominee, is entitled to exercise, or control the exercise of, 15% or more of the voting power at a general meeting of FTLife Insurance or of a body corporate of which FTLife Insurance is a subsidiary.

Further, FTLife Insurance is a licensed insurer under the Bermuda Insurance Act, which requires (i) every person who is, or is to be, a shareholder controller or controller of FTLife Insurance to be a fit and proper person and (ii) FTLife Insurance to obtain a no-objection letter from the Bermuda Monetary Authority in case of the Offeror becoming a holder of 10% or more of the shares in FTLife Insurance carrying voting rights, or being entitled to exercise or control 10% or more of the voting power, or having significant influence over the management of FTLife Insurance.

The Insurance Authority and the Bermuda Monetary Authority will be approached after the publication of this joint announcement for the obtaining of the Insurance Authority Approval and the Bermuda Monetary Authority Approval, respectively, and it is expected that such approvals will be obtained within six months from the Announcement Date.

With respect to Pre-Condition (a), as at the Announcement Date, based on information available to the Offeror, except for the Insurance Authority Approval and the Bermuda Monetary Authority Approval, the Offeror is not aware of any Authorisation which is necessary for the consummation of the NWS Offers under applicable laws and regulations.

If the Pre-Conditions are not satisfied or waived (where applicable) on or before the Long Stop Date, the NWS Offers will not be made. The Offeror and NWS will issue a further announcement as soon as practicable after the Pre-Conditions have been satisfied or waived (where applicable).

**WARNING: As the making of the NWS Offers is subject to the satisfaction or waiver (as applicable) of the Pre-Conditions, the NWS Offers are a possibility only and may or may not be made. Accordingly, the NWD Disposal may or may not proceed. Shareholders and holders of options and other securities of and potential investors in NWD and NWS should therefore exercise caution when dealing in the securities of NWD and NWS. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.**

## 8. CONDITIONS TO THE NWS OFFERS

The NWS Share Offer, if made, will be subject to the satisfaction or waiver (where applicable) of the following Conditions:

- (a) the approval of the NWD Disposal by the Independent NWD Shareholders in accordance with the Listing Rules;
- (b) valid acceptances of the NWS Share Offer being received from the NWD Group by 4:00 p.m. on the NWS Share Offer Closing Date (and not, where permitted, withdrawn) in respect of 2,380,495,938 NWS Shares (being the number of the NWS Shares held by the NWD Group, representing 60.88% of the issued share capital of NWS, as at the Announcement Date);
- (c) the NWS Shares remaining listed and traded on the Main Board of the Stock Exchange up to and including the NWS Share Offer Closing Date (save for any temporary suspension of trading of the NWS Shares pending any announcement in connection with the NWS Offers or other inside information) and no indication being received on or before the NWS Share Offer Closing Date from the SFC and/or the Stock Exchange to the effect that the listing of the NWS Shares on the Stock Exchange is or is likely to be withdrawn or suspended;
- (d) no event having occurred which would make any of the NWS Offers, the acquisition of any of the NWS Offer Shares or the cancellation of the NWS Options under the NWS Offers void, unenforceable or illegal, would prohibit the implementation of any of the NWS Offers or would impose any material conditions or obligations with respect to any of the NWS Offers or their implementation in accordance with their respective terms;
- (e) all necessary consents in connection with the NWS Offers and/or (in the event that the Offeror were to exercise the right (if any) to acquire compulsorily those NWS Offer Shares not already beneficially owned or acquired by the CTFH Group) the possible withdrawal of the listing of the NWS Shares from the Stock Exchange which may be required under any existing contractual or other obligations of NWS having been obtained and remaining in effect;

- (f) no government, court or governmental, quasi-governmental, statutory or regulatory body or agency in Hong Kong, Bermuda or any other 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 any of the NWS Offers or their implementation in accordance with their respective terms void, unenforceable, illegal or impracticable (or which would impose any material conditions or obligations with respect to any of the NWS Offers or their implementation in accordance with their respective terms);
- (g) since the Announcement Date, there having been no material adverse change in the business, assets, financial or trading position or the prospects or conditions (whether operational, legal or otherwise) of the NWS Group to an extent which is material in the context of the NWS Group; and
- (h) save for any existing claim by NWS Group in respect of its six aircraft located in Russia or as otherwise disclosed by NWS on or before the Announcement Date, there having, since the Announcement Date, not been instituted any, and there remaining no outstanding, litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the NWS Group is a party (whether as plaintiff, defendant or otherwise), and no such proceedings having, since the Announcement Date, been threatened in writing against any such member (and no investigation by any government, court or governmental, quasi-governmental, statutory or regulatory body or agency in Hong Kong, Bermuda or any other jurisdiction against or in respect of any such member or the business carried on by any such member having, since the Announcement Date, been threatened in writing, announced or instituted or remaining outstanding against or in respect of any such member), in each case, which is material and adverse in the context of the NWS Group or in the context of the NWS Offers.

The Offeror reserves the right to waive, in whole or in part, all or any of the Conditions (other than Condition (a)). As at the Announcement Date, the Offeror is not aware of any consent required under Condition (e) other than consents from the contract parties under certain existing operational agreements entered into by the NWS Group in its ordinary course of business.

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

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

Pursuant to Rule 15.3 of the Takeovers Code, where the NWS Offers become or are declared unconditional (whether as to acceptances or in all respects), they should remain open for acceptances for not less than 14 days thereafter.

**WARNING: Completion of the NWS Share Offer (if made) will be subject to the Conditions being satisfied or waived. Accordingly, the NWD Disposal may or may not proceed. Additionally, completion of the NWS Option Offer (if made) will be subject to and conditional upon the NWS Share Offer becoming or being declared unconditional in all respects. Shareholders and holders of options and other securities of and potential investors in NWD and NWS should therefore exercise caution when dealing in the securities of NWD and NWS. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.**

## **9. VALUE OF THE NWS OFFERS**

As at the Announcement Date, there are (a) 3,910,427,849 NWS Shares in issue; (b) 3,791,380,925 NWS Offer Shares (representing 96.96% of the issued share capital of NWS as at the Announcement Date); and (c) 84,638,650 NWS Options entitling the NWS Optionholders to subscribe for an aggregate of 84,638,650 NWS Shares at an exercise price of HK\$7.83 per NWS Share.

On the assumption that before the close of the NWS Share Offer the number of NWS Shares will not change (whether by way of any exercise of the NWS Options or otherwise) and the number of NWS Options will not change, there will be 3,791,380,925 NWS Offer Shares (representing 96.96% of the issued share capital of NWS as at the Announcement Date) and 84,638,650 NWS Options, the value of the NWS Share Offer will be approximately HK\$34,691 million and the total amount required to satisfy the cancellation of all NWS Options will be approximately HK\$112 million. On this basis, in aggregate, the NWS Offers will be valued at approximately HK\$34,803 million.

On the assumption that before the close of the NWS Share Offer the number of NWS Options will not change and all NWS Options will be exercised, NWS will have to issue 84,638,650 new NWS Shares, representing 2.16% of the issued share capital of NWS as at the Announcement Date and 2.12% of the enlarged issued share capital of NWS. On this basis and on the assumption that the number of NWS Shares will otherwise not change, there will be 3,876,019,575 NWS Offer Shares (including the new NWS Shares issued as a result of the exercise of the NWS Options) (representing 97.02% of the enlarged share capital of NWS) and the value of the NWS Share Offer will be approximately HK\$35,466 million. In this case, no amount will be payable by the Offeror under the NWS Option Offer.

## **10. POSSIBLE COMPULSORY ACQUISITION AND WITHDRAWAL OF LISTING OF NWS SHARES**

Pursuant to Section 103(1) of the Companies Act, the holders of not less than 95% of the issued NWS Shares may give a notice of compulsory acquisition to the remaining NWS Shareholders of the intention to acquire their NWS Shares on the terms set out in the notice. When such notice of compulsory acquisition is given, such holders will be entitled and bound to acquire the NWS Shares of the remaining NWS Shareholder(s) unless any remaining NWS Shareholder applies to the Court for an appraisal of the value of the NWS Shares to be purchased from him/her/it, provided that such holders offer the same terms to all holders of the NWS Shares whose acquisition is involved. If the Offeror acquires further NWS Shares (whether pursuant to the NWS Share Offer or otherwise) such that the CTFH Group holds not less than 95% of the issued NWS Shares, the Offeror will be entitled to give such notice of compulsory acquisition.

Pursuant to Rule 2.11 of the Takeovers Code, except with the consent of the Executive, where the Offeror seeks to acquire or privatise NWS by means of the NWS Share Offer and the use of the compulsory acquisition right under the Companies Act, such right may only be exercised if, in addition to satisfying the requirements imposed by the Companies Act, acceptances of the NWS Share Offer in respect of the Disinterested NWS Shares and purchases of the Disinterested NWS Shares made by the Offeror and the Offeror Concert Parties during the period of four (4) months after the posting of the Composite Document amount to not less than 90% of the Disinterested NWS Shares.

Accordingly, if (a) the level of acceptances of the NWS Share Offer (or the Offeror's holding of the total issued share capital of NWS) reaches the prescribed threshold under Section 103(1) of the Companies Act; and (b) not less than 90% of the Disinterested NWS Shares are validly tendered for acceptance during the period of four (4) months after the posting of the Composite Document, the Offeror will be entitled to exercise its right under Section 103(1) of the Companies Act and pursuant to Rule 2.11 of the Takeovers Code to compulsorily acquire all those NWS Offer Shares not already beneficially owned or acquired by the CTFH Group, and may, but is not obliged to, exercise such right. If the Offeror does exercise such right and completes the compulsory acquisition, NWS will become an indirect wholly-owned subsidiary of CTFH, an application will be made for the withdrawal of the listing of the NWS Shares from the Stock Exchange pursuant to Rule 6.15 of the Listing Rules and a suspension of dealings in the NWS Shares from the close of the NWS Share Offer up to the withdrawal of listing of NWS Shares from the Stock Exchange.

Pursuant to Rule 15.6 of the Takeovers Code, since the Offeror may exercise the right of compulsory acquisition under the Companies Act to compulsorily acquire those NWS Shares not already beneficially owned or acquired by the CTFH Group (if such right arises), the NWS Share Offer may not remain open for acceptance for more than four (4) months from the posting of the Composite Document unless the Offeror has by that time become entitled to exercise such right of compulsory acquisition available to it under the Companies Act, in which event the Offeror must do so without delay.

The Stock Exchange has stated that (a) if, at the close of the NWS Share Offer, less than the minimum prescribed percentage applicable to NWS, being 25% of the issued NWS Shares, are held by the public; or (b) if the Stock Exchange believes that (i) a false market exists or may exist in the trading of the NWS Shares; or (ii) that there are insufficient NWS Shares in public hands to maintain an orderly market, it will consider exercising its discretion to suspend dealings in the NWS Shares.

In the event that the Offeror does not effect the compulsory acquisition of the remaining NWS Offer Shares, whether by reason of the level of acceptances of the NWS Share Offer not reaching the prescribed thresholds under the Companies Act or the Takeovers Code or otherwise, the Offeror will take such steps as are necessary to ensure, or procure NWS to take such steps as are necessary to ensure, that NWS will have an adequate public float so as to comply with the applicable requirements under the Listing Rules.

## **11. NWS IBC AND NWS IFA**

The NWS Board has established the NWS IBC, comprising Mr. To Hin Tsun, Gerald, Mr. Dominic Lai, Mr. Shek Lai Him, Abraham, Mr. Lee Yiu Kwong, Alan, Mrs. Oei Wai Chi Grace Fung, Mr. Wong Kwai Huen, Albert, Professor Chan Ka Keung, Ceajer and Ms. Ng Yuen Ting, Yolanda, to make a recommendation to the Disinterested NWS Shareholders and the Disinterested NWS Optionholders as to whether the NWS Offers are, or are not, fair and reasonable and as to acceptance.

Pursuant to Rule 2.8 of the Takeovers Code, the NWS IBC is required to comprise all the non-executive NWS Directors who have no direct or indirect interest in the NWS Offers other than as holders of the NWS Shares and/or the NWS Options. Mr. William Doo Junior is presumed to be acting in concert with the Offeror in relation to NWS under class 8 of the definition of “acting in concert” under the Takeovers Code (for details, please see Note 4 to the shareholding table of NWS in “12. Shareholding Structure of NWS — Shareholding Structure of NWS as at the Announcement Date” in this joint announcement). Mr. William Doo Junior is accordingly regarded as being interested in the NWS Offers for the purposes of Rule 2.8 of the Takeovers Code and is not a member of the NWS IBC. All of the other non-executive directors and all the independent non-executive directors of NWS are members of the NWS IBC.

NWS will appoint the NWS IFA (with the approval of the NWS IBC) to advise the NWS IBC in connection with the NWS Offers. A further announcement will be made after the NWS IFA has been appointed.

## **12. SHAREHOLDING STRUCTURE OF NWS**

As at the Announcement Date, the authorised share capital of NWS is HK\$6,000,000,000 divided into 6,000,000,000 NWS Shares and the issued share capital of NWS is HK\$3,910,427,849 divided into 3,910,427,849 NWS Shares. As at the Last Trading Date, 455,340 NWS Shares (representing 0.01% of the issued share capital of NWS) were represented by 45,534 NWS ADSs. There are no other classes of shares of NWS in issue.

## Shareholding Structure of NWS as at the Announcement Date

The table below sets out the shareholding structure of NWS (a) as at the Announcement Date; and (b) as at the Announcement Date had all the NWS Options been exercised on or before the Announcement Date:

	As at the Announcement Date		As at the Announcement Date had all the NWS Options been exercised on or before the Announcement Date	
	No. of NWS Shares	As a percentage of the issued share capital of NWS	No. of NWS Shares	As a percentage of the issued share capital of NWS
<b>Offeror</b>	0	0.00%	0	0.00%
<b>Offeror Concert Party whose NWS Shares do not form part of the NWS Offer Shares nor the Disinterested NWS Shares:</b>				
— CTFE (other than through NWD) (Note 1)	97,034,424	2.48%	97,034,424	2.43%
— CTFN (Note 2)	22,012,500	0.56%	22,012,500	0.55%
<b>Offeror Concert Parties whose NWS Shares form part of the NWS Offer Shares and do not form part of the Disinterested NWS Shares:</b>				
— NWD Group (Note 3)	2,380,495,938	60.88%	2,380,495,938	59.59%
— Dr. Henry Cheng (Notes 4 and 5)	30,349,571	0.78%	41,339,571	1.03%
— Mr. Peter Cheng and his spouse (Notes 4 and 6)	7,894,097	0.20%	7,894,097	0.20%
— Mrs. Doo Cheng Sau Ha, Amy (Note 4)	5,800,000	0.15%	5,800,000	0.15%
— Mr. Chan Sau Kit, Allan (Note 7)	403,264	0.01%	403,264	0.01%
— Mr. William Doo Junior (Notes 4 and 8)	128,869	0.00%	898,169	0.02%
— Dr. Adrian Cheng (Notes 4 and 9)	0	0.00%	5,495,000	0.14%
— Mr. Brian Cheng (Notes 4 and 10)	0	0.00%	6,868,750	0.17%
— Mr. Christopher Cheng (Notes 4 and 11)	0	0.00%	6,868,750	0.17%
— Mr. Ma Siu Cheung (Note 12)	0	0.00%	7,693,000	0.19%
— HSBC (Note 13)	0	0.00%	0	0.00%
— BOCI (Note 13)	0	0.00%	0	0.00%
— ING (Note 13)	0	0.00%	0	0.00%
<b>Aggregate number of NWS Shares held by the Offeror and the Offeror Concert Parties</b>	<b>2,544,118,663</b>	<b>65.06%</b>	<b>2,582,803,463</b>	<b>64.65%</b>

	As at the Announcement Date		As at the Announcement Date had all the NWS Options been exercised on or before the Announcement Date	
	No. of NWS Shares	As a percentage of the issued share capital of NWS	No. of NWS Shares	As a percentage of the issued share capital of NWS
<b> Holders of Disinterested NWS Shares </b>				
<i>NWS Directors who are holders of Disinterested NWS Shares</i>				
— Mr. Lam Wai Hon, Patrick (Note 14)	1,453,815	0.04%	1,453,815	0.04%
— Mr. Ho Gilbert Chi Hang	0	0.00%	7,418,250	0.19%
— Mr. To Hin Tsun, Gerald	0	0.00%	769,300	0.02%
— Mr. Dominic Lai	0	0.00%	769,300	0.02%
— Mr. Shek Lai Him, Abraham	0	0.00%	1,648,500	0.04%
— Mr. Lee Yiu Kwong, Alan	0	0.00%	1,648,500	0.04%
— Mrs. Oei Wai Chi Grace Fung	0	0.00%	1,648,500	0.04%
— Mr. Wong Kwai Huen, Albert	0	0.00%	1,648,500	0.04%
— Professor Chan Ka Keung, Ceajer	0	0.00%	1,648,500	0.04%
<i>Other Disinterested NWS Shareholders</i>	1,364,855,371	34.90%	1,393,609,871	34.88%
<b>Aggregate number of Disinterested NWS Shares</b>	1,366,309,186	34.94%	1,412,263,036	35.35%
<b>Total number of NWS Shares</b>	3,910,427,849	100.00%	3,995,066,499	100.00%
<b>Total number of NWS Offer Shares</b>	3,791,380,925	96.96%	3,876,019,575	97.02%

*Notes:*

- As at the Announcement Date, CTFE, a subsidiary of CTFH, held 97,034,424 NWS Shares (representing 2.48% of the issued share capital of NWS), which do not form part of the NWS Offer Shares.

As at the Announcement Date, CTFE and the Relevant CTFE Subsidiaries held approximately 45.24% of the issued shares of NWD and was accordingly deemed to have an interest in the 2,380,495,938 NWS Shares (representing 60.88% of the issued share capital of NWS) in which NWD is interested in or deemed to be interested in under Part XV of the SFO. All these 2,380,495,938 NWS Shares form part of the NWS Offer Shares. For the avoidance of doubt, NWD is not a subsidiary of CTFE.

- As at the Announcement Date, CTFN, a subsidiary of CTFH, held 22,012,500 NWS Shares (representing 0.56% of the issued share capital of NWS).

As at the Announcement Date, save for the 97,034,424 NWS Shares held by CTFE and the 22,012,500 NWS Shares held by CTFN (which aggregate to 119,046,924 NWS Shares, representing 3.04% of the issued share capital of NWS), the CTFH Group does not hold any NWS Shares (other than through NWD). For the avoidance of doubt, NWD is not a subsidiary of CTFH and is not a member of the CTFH Group.



3. *As at the Announcement Date, CTFE and the Relevant CTFE Subsidiaries held approximately 45.24% of the issued shares of NWD. Members of the NWD Group are accordingly associated companies of CTFE and the Offeror, and are presumed to be acting in concert with the Offeror in relation to NWS under class 1 of the definition of “acting in concert” under the Takeovers Code.*
4. *The Offeror is wholly-owned by CTFE, which is beneficially wholly-owned by CTFH, which is held as to 81.03% by CTFC, which is in turn held as to 48.98% by Cheng Yu Tung Family (Holdings) Limited and as to 46.65% by Cheng Yu Tung Family (Holdings II) Limited. Dr. Henry Cheng, together with his close relatives (within the meaning of the Takeovers Code), namely Mr. Peter Cheng, Mrs. Sun Cheng Lai Ha, Cecilia and Mrs. Doo Cheng Sau Ha, Amy have Collective Control over CTFE and the Offeror. Each of Dr. Henry Cheng, Mr. Peter Cheng, Mrs. Sun Cheng Lai Ha, Cecilia and Mrs. Doo Cheng Sau Ha, Amy are therefore presumed to be acting in concert with the Offeror in relation to NWS under class 8 of the definition of “acting in concert” under the Takeovers Code.*

*On the above basis, (i) Dr. Adrian Cheng, Mr. Brian Cheng and Mr. Christopher Cheng, as the sons and therefore close relatives of Dr. Henry Cheng; (ii) Mr. Peter Cheng’s spouse, Ms. Li Syn Kay, Abbie, as a close relative of Mr. Peter Cheng; and (iii) Mr. William Doo Junior, as the son and therefore a close relative of Mrs. Doo Cheng Sau Ha, Amy, are also presumed to be acting in concert with the Offeror in relation to NWS under class 8 of the definition of “acting in concert” under the Takeovers Code.*

5. *As at the Announcement Date, Dr. Henry Cheng (i) beneficially holds 18,349,571 NWS Shares (representing 0.47% of the issued share capital of NWS) and through his wholly-owned company, Dragon Noble Group Limited, holds 12,000,000 NWS Shares (representing 0.31% of the issued share capital of NWS), which aggregate to 30,349,571 NWS Shares (representing 0.78% of the issued share capital of NWS); and (ii) holds 10,990,000 NWS Options. Dr. Henry Cheng is the chairman and an executive director of NWS and the chairman and an executive director of NWD.*
6. *As at the Announcement Date, Mr. Peter Cheng (i) beneficially holds 656,870 NWS Shares (representing 0.02% of the issued share capital of NWS); (ii) wholly-owns, PECC Investment Corporations S.A., which in turn wholly owns B.G. & Partners Limited, which directly, holds 6,463,227 NWS Shares (representing 0.17% of the issued share capital of NWS); and (iii) jointly holds 774,000 NWS Shares (representing 0.02% of the issued share capital of NWS) with his spouse, Ms. Li Syn Kay, Abbie, which aggregate to 7,894,097 NWS Shares (representing 0.20% of the issued share capital of NWS). Mr. Peter Cheng is a non-executive director of NWD.*
7. *Mr. Chan Sau Kit, Allan is a director of CTFH, which indirectly wholly-owns the Offeror. Mr. Chan Sau Kit, Allan is therefore presumed to be acting in concert with the Offeror in relation to NWS under class 2 of the definition of “acting in concert” under the Takeovers Code.*
8. *As at the Announcement Date, Mr. William Doo Junior holds (i) 128,869 NWS Shares (representing 0.00% of the issued share capital of NWS) (through his wholly-owned company, Brilliant Gain Company Limited and (ii) 769,300 NWS Options. Mr. William Doo Junior is a non-executive director of NWS.*
9. *As at the Announcement Date, Dr. Adrian Cheng holds 5,495,000 NWS Options and is not interested in any NWS Shares. Dr. Adrian Cheng is an executive director of NWS and the executive vice-chairman, the chief executive officer and an executive director of NWD.*
10. *As at the Announcement Date, Mr. Brian Cheng holds 6,868,750 NWS Options and is not interested in any NWS Shares. Mr. Brian Cheng is an executive director of NWS and a non-executive director of NWD.*
11. *As at the Announcement Date, Mr. Christopher Cheng holds 6,868,750 NWS Options and is not interested in any NWS Shares. Mr. Christopher Cheng is an executive director of NWS.*

12. *Mr. Ma Siu Cheung is both (i) an executive director and the chief executive officer of NWS and (ii) an executive director of NWD. As NWD is an associated company (within the meaning of the Takeovers Code) of the Offeror and is therefore presumed to be acting in concert with the Offeror in relation to NWS under class 1 of the definition of “acting in concert” under the Takeovers Code, Mr. Ma Siu Cheung is also considered as an Offeror Concert Party,*
13. *HSBC, BOCI and ING are the Joint Financial Advisers to CTFE and the Offeror in respect of the NWS Offers. Accordingly, (i) HSBC and relevant members of the HSBC Group, (ii) BOCI and relevant members of the BOCI Group and (iii) ING and relevant members of the ING Group which hold NWS Shares (or options, warrants or derivatives in respect of them) are presumed to be acting in concert with the Offeror in relation to NWS in accordance with class 5 of the definition of “acting in concert” under the Takeovers Code (except in respect of NWS Shares (or options, warrants or derivatives in respect of them) held by exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purpose of the Takeovers Code and also excluding NWS Shares (or options, warrants or derivatives in respect of them) held on behalf of non-discretionary investment clients of the HSBC Group, the BOCI Group and the ING Group respectively). Details of holdings, borrowings or lendings of, and dealings in, NWS Shares (or options, warrants or derivatives in respect of them) held by or entered into by other parts of the HSBC Group, the BOCI Group and the ING Group will be obtained as soon as possible after this joint announcement has been made in accordance with Note 1 to Rule 3.5 of the Takeovers Code. A further announcement will be made by the Offeror if the holdings, borrowings, lendings, or dealings of the other parts of the HSBC Group, the BOCI Group and the ING Group are significant and in any event such information will be disclosed in the Composite Document. The statements in this joint announcement as to the holdings, borrowings or lendings of, or their dealings in, NWS Shares (or options, warrants or derivatives in respect of them) 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, the BOCI Group and the ING Group.*
14. *Mr. Lam Wai Hon, Patrick is an alternate director to Mr. William Doo Junior in his capacity as a non-executive director of NWS. As at the Announcement Date, Mr. Lam Wai Hon, Patrick is interested in 1,453,815 NWS Shares (representing 0.04% of the issued share capital of NWS) and is not interested in any NWS Options.*

### **Shareholding Structure of NWS immediately after completion of the NWS Offers and the Offeror’s compulsory acquisition of the remaining NWS Offer Shares**

The table below sets out the shareholding structure of NWS immediately after completion of the NWS Offers and the Offeror’s compulsory acquisition of the remaining NWS Offer Shares in the event that it becomes entitled to exercise its right of compulsory acquisition under the Companies Act and pursuant to Rule 2.11 of the Takeovers Code, and does exercise such right, assuming that (a) there will be no change in the shareholding structure of NWS (whether by way of exercise of any NWS Options or otherwise) before completion of such compulsory acquisition (“**Scenario 1**”); and (b) the number of NWS Options will not change and all NWS Options will be exercised

before the close of the NWS Share Offer, and there will be no other change in the shareholding structure of NWS before completion of such compulsory acquisition) (“Scenario 2”):

	Immediately after completion of the NWS Offers and the Offeror’s compulsory acquisition of the remaining NWS Offer Shares			
	Scenario 1		Scenario 2	
	<i>No. of NWS Shares</i>	<i>As a percentage of the issued share capital of NWS</i>	<i>No. of NWS Shares</i>	<i>As a percentage of the issued share capital of NWS</i>
<b>Offeror</b>	3,791,380,925	96.96%	3,876,019,575	97.02%
<b>Offeror Concert Party whose NWS Shares do not form part of the NWS Offer Shares nor the Disinterested NWS Shares:</b>				
— CTFE (other than through NWD) (Note 1)	97,034,424	2.48%	97,034,424	2.43%
— CTFN (Note 2)	22,012,500	0.56%	22,012,500	0.55%
<b>Offeror Concert Parties whose NWS Shares form part of the NWS Offer Shares and do not form part of the Disinterested NWS Shares:</b>				
— NWD Group (Note 3)	0	0.00%	0	0.00%
— Dr. Henry Cheng (Notes 4 and 5)	0	0.00%	0	0.00%
— Mr. Peter Cheng and his spouse (Notes 4 and 6)	0	0.00%	0	0.00%
— Mrs. Doo Cheng Sau Ha, Amy (Note 4)	0	0.00%	0	0.00%
— Mr. Chan Sau Kit, Allan (Note 7)	0	0.00%	0	0.00%
— Mr. William Doo Junior (Notes 4 and 8)	0	0.00%	0	0.00%
— Dr. Adrian Cheng (Notes 4 and 9)	0	0.00%	0	0.00%
— Mr. Brian Cheng (Notes 4 and 10)	0	0.00%	0	0.00%
— Mr. Christopher Cheng (Notes 4 and 11)	0	0.00%	0	0.00%
— Mr. Ma Siu Cheung (Note 12)	0	0.00%	0	0.00%
— HSBC (Note 13)	0	0.00%	0	0.00%
— BOCI (Note 13)	0	0.00%	0	0.00%
— ING (Note 13)	0	0.00%	0	0.00%
<b>Aggregate number of NWS Shares held by the Offeror and the Offeror Concert Parties</b>	<b>3,910,427,849</b>	<b>100.00%</b>	<b>3,995,066,499</b>	<b>100.00%</b>

**Immediately after completion of the NWS Offers and the Offeror's compulsory acquisition of the remaining NWS Offer Shares**

	<b>Scenario 1</b>		<b>Scenario 2</b>	
	<i>No. of NWS Shares</i>	<i>As a percentage of the issued share capital of NWS</i>	<i>No. of NWS Shares</i>	<i>As a percentage of the issued share capital of NWS</i>
<b> Holders of Disinterested NWS Shares as at the Announcement Date</b>				
<i>NWS Directors who are holders of Disinterested NWS Shares</i>				
— Mr. Lam Wai Hon, Patrick (Note 14)	0	0.00%	0	0.00%
— Mr. Ho Gilbert Chi Hang	0	0.00%	0	0.00%
— Mr. To Hin Tsun, Gerald	0	0.00%	0	0.00%
— Mr. Dominic Lai	0	0.00%	0	0.00%
— Mr. Shek Lai Him, Abraham	0	0.00%	0	0.00%
— Mr. Lee Yiu Kwong, Alan	0	0.00%	0	0.00%
— Mrs. Oei Wai Chi Grace Fung	0	0.00%	0	0.00%
— Mr. Wong Kwai Huen, Albert	0	0.00%	0	0.00%
— Professor Chan Ka Keung, Ceajer	0	0.00%	0	0.00%
<i>Other Disinterested NWS Shareholders</i>	0	0.00%	0	0.00%
<b>Aggregate number of Disinterested NWS Shares</b>	0	0.00%	0	0.00%
<b>Total number of NWS Shares</b>	3,910,427,849	100.00%	3,995,066,499	100.00%
<b>Total number of NWS Offer Shares</b>	—	—	—	—

*Note: Please refer to the notes to the shareholding table under “Shareholding Structure of NWS as at the Announcement Date”.*

### **13. EFFECT OF ACCEPTING THE NWS SHARE OFFER**

The NWS Share Offer will be subject to the term that acceptance of the NWS Share Offer by any person will constitute a warranty by such person to the Offeror that the NWS Shares sold by such person under the NWS Share Offer are sold free from all Encumbrances and together with all rights attaching to them as at the NWS Share Offer Closing Date or subsequently becoming attached to them, including the right to receive all dividends and distributions, if any, declared, made or paid on or after the NWS Share Offer Closing Date, save, for the avoidance of doubt, for the final dividend (if any) for the year ending 30 June 2023.

**WARNING: For the avoidance of doubt, assuming that the NWS Offers become unconditional, if any dividend and/or other distribution and/or other return of capital is announced, declared or paid in respect of the NWS Shares on or after the NWS Share Offer Closing Date, NWS Shareholders who accept the NWS Share Offer will not be entitled thereto. Please also see “29. Intentions of the Offeror with regard to the NWS Group” in this joint announcement for the Offeror’s intention with regard to the dividend policy of NWS.**

#### **14. HONG KONG STAMP DUTY**

Seller’s ad valorem stamp duty at the rate of 0.13% of the market value of the NWS Offer Shares or the consideration payable by the Offeror in respect of the relevant acceptances of the NWS Share Offer, whichever is higher (rounded up to the nearest HK\$1.00), will be deducted from the amount payable to the relevant holder of NWS Offer Shares on acceptance of the NWS Share Offer. The Offeror will bear its own portion of buyer’s ad valorem stamp duty at the rate of 0.13% of the market value of the NWS Offer Shares or the consideration payable by the Offeror in respect of the relevant acceptances of the NWS Share Offer, whichever is higher (rounded up to the nearest HK\$1.00), and will be responsible to account to the Stamp Office of Hong Kong for all the stamp duty payable for the sale and purchase of the NWS Shares in respect of which the NWS Share Offer is validly accepted. No stamp duty is payable on the cancellation of any NWS Option.

#### **15. OVERSEAS NWS SHAREHOLDERS AND NWS OPTIONHOLDERS**

The making of the NWS Offers to NWS Shareholders or, as the case may be, NWS Optionholders who, in either case, are citizens, residents or nationals of jurisdictions outside Hong Kong may be subject to the laws or regulations of the relevant jurisdictions. The making of the NWS Offers to such NWS Shareholders and NWS Optionholders and their acceptances of the NWS Offers may be prohibited or affected by the laws or regulations of the relevant jurisdictions and it is the responsibility of each of such NWS Shareholders and NWS Optionholders who wishes to accept a NWS Offer to satisfy himself/herself/itself as to the full observance of the laws and regulations of the relevant jurisdiction in connection therewith, including any requirement for any governmental, exchange control or other consents, any filing and registration requirements, any necessary formalities, any legal or regulatory requirements and any requirement for the payment by the accepting NWS Shareholder or, as the case may be, NWS Optionholder of any transfer or other taxes for which such accepting NWS Shareholder or NWS Optionholder is liable in respect of his/her/its acceptance.

**Any acceptance of a NWS Offer by any NWS Shareholder or NWS Optionholder will be deemed to constitute a representation and warranty from such NWS Shareholder or, as the case may be, NWS Optionholder to the Offeror, NWS and the Joint Financial Advisers that all the laws and regulations of the relevant jurisdictions have been complied with and that the NWS Share Offer can be accepted by such NWS Shareholder, or, as the case may be, the NWS Option Offer can be accepted by such NWS Optionholder, lawfully under the laws and regulations of the relevant jurisdiction. NWS Shareholders and NWS Optionholders should consult their professional advisers if in doubt.**

In the event that the despatch of the Composite Document and/or the letter to NWS Optionholders to any overseas NWS Shareholder or NWS Optionholder (as the case may be) is prohibited by any relevant law or regulation or may only be effected after compliance with conditions or requirements that are unduly burdensome, subject to the Executive's waiver, the Composite Document and/or the letter to NWS Optionholders will not be despatched to such overseas NWS Shareholder or NWS Optionholder (as the case may be). The Offeror will in that event apply to the Executive for such waiver as may be required pursuant to Note 3 to Rule 8 of the Takeovers Code. Any such waiver may only be granted if the Executive is satisfied that it would be unduly burdensome to despatch the Composite Document and/or the letter to NWS Optionholders to such overseas NWS Shareholder or NWS Optionholder (as the case may be). In granting the waiver, the Executive will be concerned to see that all material information in the Composite Document and/or the letter to NWS Optionholders is made available to such overseas NWS Shareholder or NWS Optionholder (as the case may be).

## **16. SETTLEMENT OF CONSIDERATION**

Settlement of the consideration in respect of an acceptance of the NWS Offers will be made as soon as possible and in any event within seven (7) business days (as defined in the Takeovers Code) of (a) the date of receipt of the complete and valid acceptance or (b) the date on which the NWS Offers become or are declared unconditional in all respects, whichever is the later.

## **17. DEALINGS AND INTERESTS IN NWS SECURITIES AND OTHER ARRANGEMENT**

As at the Announcement Date:

- (a) save for the NWS Options and the NWS ADSs, NWS does not have in issue any warrants, options, derivatives, convertible securities or other securities convertible into NWS Shares;
- (b) save as disclosed in "12. Shareholding Structure of NWS" in this joint announcement, none of the Offeror or the Offeror Concert Parties owns, controls or has direction over any voting rights or rights over any NWS Shares or holds any convertible securities, warrants, options or derivatives in respect of NWS Shares;
- (c) none of the Offeror or the Offeror Concert Parties has received any irrevocable commitment to accept or not to accept the NWS Offers;

- (d) save for the NWS Options and the Offeror Acquisition Financing (including the NWS Share Charge and the Offeror Share Charge), there are no arrangements (whether by way of option, indemnity or otherwise) in relation to the NWS Shares or other securities of NWS or the Offeror which might be material to any of the NWS Offers;
- (e) none of the Offeror or the Offeror Concert Parties has borrowed or lent any relevant securities of NWS (as defined in Note 4 to Rule 22 of the Takeovers Code) save for any which have been either on-lent or sold;
- (f) save for the Offer Facility and an undertaking by the Offeror to the Joint Financial Advisers that it will not waive Pre-Condition (b) set out in the section “7. Pre-Conditions to the NWS Offers” without their consent (which is not to be unreasonably withheld), 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 any condition or pre-condition to the NWS Offers; and
- (g) save for the NWS Offer Price and the NWS Option Offer Price, there is no other consideration, compensation or benefit in whatever form paid or to be paid by the Offeror or the Offeror Concert Parties to the NWS Shareholders, the NWS Optionholders or their concert parties in relation to the NWS Offer Shares.

None of the Offeror or the Offeror Concert Parties has dealt in any NWS Shares or convertible securities, warrants, options or derivatives in respect of NWS Shares during the period of six months ended on and including the Announcement Date.

The Offeror confirms that, as at the Announcement Date, there is no understanding, arrangement or agreement which constitutes a special deal (as defined under Rule 25 of the Takeovers Code) between any NWS Shareholder on the one hand, and the Offeror or an Offeror Concert Party on the other.

NWS confirms that, as at the Announcement Date, there is no understanding, arrangement or agreement which constitutes a special deal (as defined under Rule 25 of the Takeover Code) between any NWS Shareholder on the one hand, and NWS, its subsidiaries or associated companies on the other.

## **18. COMPOSITE DOCUMENT**

Subject to the satisfaction or waiver (where applicable) of the Pre-Conditions, the Composite Document containing, among other things, (a) further terms and details of the NWS Offers; (b) the recommendations from the NWS IBC with respect to the NWS Offers; and (c) the advice of the NWS IFA to the NWS IBC, and enclosing the form of acceptance for the NWS Share Offer will be despatched to the NWS Shareholders and the NWS Optionholders as soon as practicable in compliance with the requirements of the Takeovers Code and other applicable laws and regulations. A letter containing the details of the NWS Option Offer and enclosing the form of acceptance for the NWS Option Offer will also be despatched to the NWS Optionholders at or around the same time as the despatch of the Composite Document.

## **PART (2): POSSIBLE MAJOR TRANSACTION AND CONNECTED TRANSACTION OF NWD**

### **19. POSSIBLE MAJOR TRANSACTION AND CONNECTED TRANSACTION OF NWD**

The NWS Share Offer, if made, will be subject to the satisfaction or waiver (where applicable) of, among other Conditions, the Condition that valid acceptances of the NWS Share Offer being received in respect of all the NWS Shares owned by the NWD Group. For details, please see Condition (b) in “8. Conditions to the NWS Offers” in this joint announcement. Therefore, the NWD Disposal, if it proceeds, will be a disposal by the NWD Group of all of its NWS Shares. As the highest applicable percentage ratio for NWD in respect of the NWD Disposal exceeds 25% but is less than 75%, the NWD Disposal constitutes a major transaction for NWD under Chapter 14 of the Listing Rules.

As at the Announcement Date, CTFE and the Relevant CTFE Subsidiaries together hold approximately 45.24% of the total issued share capital of NWD. Therefore, CTFE is a connected person of NWD under the Listing Rules and the NWD Disposal constitutes a connected transaction for NWD under Chapter 14A of the Listing Rules.

The NWD Disposal will be subject to the reporting, announcement and independent shareholders’ approval requirements under Chapters 14 and 14A of the Listing Rules.

### **20. FINANCIAL EFFECT OF THE NWD DISPOSAL ON NWD**

It is estimated that NWD will record an unaudited consolidated total comprehensive loss of approximately HK\$2,381 million from the NWD Disposal, which is calculated as the difference between the gross proceeds from the NWD Disposal and the net assets of NWS attributable to NWD in NWD’s unaudited consolidated financial statements as at 31 December 2022. The consolidated total comprehensive loss has been determined after recognising in NWD’s consolidated statement of comprehensive income the release of reserves of approximately HK\$6,328 million upon disposal of debt instruments mainly held under FTLife Insurance, as financial assets at fair value through other comprehensive income, occurring as a result of the sale of NWD’s interest in NWS, which will be recorded as a loss in NWD’s consolidated income statement. These are non-cash items.

NWD Shareholders should note that the exact amount of the loss on the NWD Disposal to be recorded in the consolidated income statement of NWD will be (a) subject to audit; (b) calculated based on the net assets of NWS attributable to NWD in NWD’s consolidated financial statements as at the date of completion of the NWD Disposal and the final gross proceeds; and (c) net of any incidental expenses, tax expenses, transaction costs and any exchange rate fluctuation before the date of completion of the NWD Disposal, and therefore may vary from the amount disclosed above.

As at the Announcement Date, the NWD Group holds 2,380,495,938 NWS Shares, representing 60.88% of the issued share capital of NWS. If the NWD Group accepts the NWS Share Offer in respect of its entire shareholding in NWS, NWD will no longer hold any interest in NWS upon completion of the NWD Disposal. NWS will cease to be a non-wholly-owned subsidiary of NWD and the financial results of NWS will no longer be consolidated into the financial statements of NWD with effect from the date of completion of the NWD Disposal.



## **21. CONDITIONAL SPECIAL DIVIDEND**

The NWD Board, after taking into account the amount of the expected proceeds from the NWD Disposal and the financial condition of NWD, intends to declare a conditional special dividend in the amount of HK\$4 billion in cash to the NWD Shareholders (being HK\$1.59 per NWD Share based on the total number of NWD Shares in issue as at the Announcement Date). The payment of such special dividend will be conditional upon the completion of the NWD Disposal and the date of payment will be announced by NWD in due course.

## **22. USE OF PROCEEDS FROM THE NWD DISPOSAL**

As at the Announcement Date, the NWD Group holds 2,380,495,938 NWS Shares, representing 60.88% of the issued share capital of NWS. On this basis, the gross proceeds from the NWD Disposal will amount to approximately HK\$21,782 million. The gross proceeds arising from the NWD Disposal are expected to be used to pay a special dividend of HK\$4 billion (see “21. Conditional Special Dividend” in this joint announcement for details), with the remaining proceeds expected to be used for repayment of existing borrowings and as general working capital of the NWD Group.

## **23. NWD DIRECTORS’ VIEWS**

The NWD Board considers that the NWS Share Offer (the acceptance of which would result in the NWD Disposal) should be put forward to the Independent NWD Shareholders for their consideration at the NWD EGM. The NWD IFA will be appointed to make a recommendation to the NWD IBC and the Independent NWD Shareholders on the NWD Disposal as a connected transaction of NWD subject to the independent shareholders’ approval requirement under Chapter 14A of the Listing Rules.

The following NWD Directors abstained from voting on the board resolutions of NWD in connection with the NWD Disposal:

- (a) as disclosed in “24. NWD EGM” in this joint announcement, each of Dr. Henry Cheng (the chairman and an executive director of NWD), Dr. Adrian Cheng (the executive vice-chairman and chief executive officer and an executive director of NWD), Mr. Peter Cheng (a non-executive director of NWD), Ms. Sonia Cheng (an executive director of NWD) and Mr. Cheng Chi Heng (a non-executive director of NWD) has a material interest in the NWD Disposal and therefore abstained from voting on the board resolutions of NWD in connection with the NWD Disposal;
- (b) Mrs. Doo Cheng Sau Ha, Amy is the spouse and therefore a LR associate of Mr. William Doo Senior, the vice-chairman and a non-executive director of NWD. As disclosed in “24. NWD EGM” in this joint announcement, Mrs. Doo Cheng Sau Ha, Amy, together with Dr. Henry Cheng, Mr. Peter Cheng and Mrs. Sun Cheng Lai Ha, Cecilia, have Collective Control over CTFE and the Offeror. The NWD Disposal is therefore capable of conferring upon Mr. William Doo Senior’s LR associate, namely Mrs. Doo Cheng Sau Ha, Amy, an indirect benefit which is not

available to other NWD Shareholders. On this basis, Mr. William Doo Senior abstained from voting on the board resolutions of NWD in connection with the NWD Disposal;

- (c) Mr. Brian Cheng, a non-executive director of NWD, is also an executive director of NWS and holds 6,868,750 NWS Options as at the Announcement Date. Dr. Henry Cheng is the father and therefore a LR associate of Mr. Brian Cheng. As disclosed in “24. NWD EGM” in this joint announcement, Dr. Henry Cheng, together with Mr. Peter Cheng, Mrs. Doo Cheng Sau Ha, Amy and Mrs. Sun Cheng Lai Ha, Cecilia, have Collective Control over CTFE and the Offeror. The NWD Disposal is capable of conferring upon Mr. Brian Cheng’s LR associate, namely Dr. Henry Cheng, an indirect benefit which is not available to other NWD Shareholders. On the above bases, Mr. Brian Cheng abstained from voting on the board resolutions of NWD in connection with the NWD Disposal; and
- (d) as Mr. Ma Siu Cheung, an executive director of NWD, is also an executive director and the chief executive officer of NWS and holds 7,693,000 NWS Options as at the Announcement Date, he abstained from voting on the board resolutions of NWD in connection with the NWD Disposal.

Save as disclosed above, no NWD Director is regarded as having a material interest in the NWD Disposal and no other NWD Director was required under the Listing Rules to abstain from voting on the board resolutions of NWD in connection with the NWD Disposal.

The NWD Board has established the NWD IBC, comprising Mr. Lee Luen-Wai, John, Mr. Ip Yuk-Keung, Albert, Mr. Chan Johnson Ow, Mrs. Law Fan Chiu-Fun, Fanny, Ms. Lo Wing-Sze, Anthea and Ms. Wong Yeung-Fong, Fonia, being all the independent non-executive directors of NWD, to make a recommendation to the Independent NWD Shareholders in respect of the NWD Disposal.

Dr. Henry Cheng, Dr. Adrian Cheng, Mr. Peter Cheng, Ms. Sonia Cheng, Mr. Cheng Chi Heng, Mr. William Doo Senior, Mr. Brian Cheng and Mr. Ma Siu Cheung were required to abstain, and did abstain, from voting on the board resolutions of NWD in connection with the NWD Disposal because of their material interests in the NWD Disposal. The other NWD Directors have yet to form their views on the merits of the NWD Disposal, and they (including the members of the NWD IBC after having received the NWD IFA’s advice on the NWD Disposal) will express their views in the circular for the NWD EGM in relation to the NWD Disposal.

The circular for the NWD EGM in relation to the NWD Disposal is expected to be despatched by NWD to the NWD Shareholders as soon as practicable after the despatch of the Composite Document.

The circular will contain, among others, (i) further details of the NWD Disposal; (ii) the views of and recommendations from the NWD Board (including the NWD IBC, but excluding the NWD Directors who are required to abstain from voting on the relevant NWD Board resolutions in connection with the NWD Disposal by virtue of their material interests in the NWD Disposal) in connection with the NWD Disposal; (iii) the views of and recommendations from the NWD IBC with respect to the NWD Disposal; and (iv) the advice of the NWD IFA to the NWD IBC and the Independent NWD Shareholders on the NWD Disposal, together with the notice of the NWD EGM.

**WARNING: As the making of the NWS Offers is subject to the satisfaction or waiver of the Pre-Conditions, the NWS Offers are a possibility only and may or may not be made. Completion of the NWS Share Offer (if made) will be subject to the Conditions being satisfied or waived. Accordingly, the NWD Disposal may or may not proceed. Additionally, completion of the NWS Option Offer (if made) will be subject to and conditional upon the NWS Share Offer becoming or being declared unconditional in all respects. Shareholders and holders of options and other securities of and potential investors in NWD and NWS should therefore exercise caution when dealing in the securities of NWD and NWS. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.**

#### 24. NWD EGM

The NWD EGM will be held to consider, and if thought fit, to approve the NWD Disposal as a major transaction and a connected transaction of NWD under Chapters 14 and 14A of the Listing Rules.

Any NWD Shareholder with a material interest (as defined under the Listing Rules) in the NWD Disposal will be required to abstain from voting on the resolution to be proposed at the NWD EGM for the approval of the NWD Disposal as a major transaction and a connected transaction of NWD under Chapters 14 and 14A of the Listing Rules. As at the Announcement Date:

- (a) CTFE and the Relevant CTFE Subsidiaries hold 1,138,428,609 NWD Shares (representing approximately 45.24% of the issued share capital of NWD). As (i) CTFE wholly-owns the Offeror and (ii) the Relevant CTFE Subsidiaries are LR associates of CTFE, they have a material interest in the NWD Disposal and will be required to abstain from voting on the resolution to be proposed at the NWD EGM for approving the NWD Disposal;

- (b) (i) Dr. Henry Cheng is interested in 5,168,909 NWD Shares (representing 0.21% of the issued share capital of NWD); (ii) Dr. Henry Cheng holds 30,349,571 NWS Shares (representing 0.78% of the issued share capital of NWS) (directly and through his wholly-owned company) and 10,990,000 NWS Options, which are respectively subject to the NWS Share Offer and NWS Option Offer; (iii) Dr. Henry Cheng is a CTFE Director, the chairman and an executive director of NWS and the chairman and an executive director of NWD; and (iv) the Offeror is wholly-owned by CTFE, which is beneficially wholly-owned by CTFH, which is held as to 81.03% by CTFC, which is in turn held as to 48.98% by Cheng Yu Tung Family (Holdings) Limited and as to 46.65% by Cheng Yu Tung Family (Holdings II) Limited. Dr. Henry Cheng, together with his family members (within the meaning of the Listing Rules), namely Mr. Peter Cheng, Mrs. Sun Cheng Lai Ha, Cecilia and Mrs. Doo Cheng Sau Ha, Amy, collectively hold a majority interest in each of Cheng Yu Tung Family (Holdings) Limited and Cheng Yu Tung Family (Holdings II) Limited. Accordingly, each of the Offeror and CTFE is a majority-controlled company (within the meaning of the Listing Rules) and therefore a LR associate of Dr. Henry Cheng, Mr. Peter Cheng, Mrs. Doo Cheng Sau Ha, Amy and Mrs. Sun Cheng Lai Ha, Cecilia.

By virtue of (i) Dr. Henry Cheng's interests in NWS, CTFE and the Offeror; and (ii) the Offeror, which is Dr. Henry Cheng's LR associate, being a party to the NWD Disposal, he has a material interest in the NWD Disposal and will be required to abstain from voting on the resolution to be proposed at the NWD EGM for approving the NWD Disposal;

- (c) (i) Mr. Peter Cheng holds 213,444 NWD Shares (representing 0.01% of the issued share capital of NWD) and jointly holds 141,641 NWD Shares (representing 0.01% of the issued share capital of NWD) with his spouse; (ii) Mr. Peter Cheng holds 7,120,097 NWS Shares (representing 0.18% of the issued share capital of NWS) (directly and through his wholly-owned company), and together with his spouse, jointly holds 774,000 NWS Shares (representing 0.02% of the issued share capital of NWS), which are subject to the NWS Share Offer; (iii) Mr. Peter Cheng is a CTFE Director and a non-executive director of NWD; and (iv) as set out in paragraph (b)(iv) above, each of the Offeror and CTFE is a majority-controlled company (within the meaning of the Listing Rules) and therefore a LR associate of, among others, Mr. Peter Cheng.

By virtue of (i) Mr. Peter Cheng's interests in NWS, CTFE and the Offeror; and (ii) the Offeror, which is Mr. Peter Cheng's LR associate, being a party to the NWD Disposal, he has a material interest in the NWD Disposal. By virtue of Mr. Peter Cheng's spouse's interests in NWS, she has a material interest in the NWD Disposal. Both of Mr. Peter Cheng and his spouse will therefore be required to abstain from voting on the resolution to be proposed at the NWD EGM for approving the NWD Disposal;

- (d) (i) Dr. Adrian Cheng is interested in 2,559,118 NWD Shares (representing 0.10% of the issued share capital of NWD); (ii) Dr. Adrian Cheng holds 5,495,000 NWS Options, which are subject to the NWS Option Offer; and (iii) Dr. Adrian Cheng is a CTFE Director, an executive director of NWS and the executive vice-chairman, the chief executive officer and an executive director of NWD. Dr. Henry Cheng is the father and therefore a LR associate of Dr. Adrian Cheng. As set out in paragraph (b)(iv) above, Dr. Henry Cheng, together with Mr. Peter Cheng, Mrs. Doo Cheng Sau Ha, Amy and Mrs. Sun Cheng Lai Ha, Cecilia, have Collective Control over CTFE and the Offeror. The NWD Disposal is therefore capable of conferring upon Dr. Adrian Cheng's LR associate, namely Dr. Henry Cheng, an indirect benefit which is not available to other NWD Shareholders.

By virtue of (i) Dr. Adrian Cheng's interest in NWS and (ii) the NWD Disposal being capable of conferring upon Dr. Adrian Cheng's LR associate, namely Dr. Henry Cheng, an indirect benefit which is not available to other NWD Shareholders, he has a material interest in the NWD Disposal and will be required to abstain from voting on the resolution to be proposed at the NWD EGM for approving the NWD Disposal;

- (e) (i) Ms. Sonia Cheng holds 825,672 NWD Shares (representing 0.03% of the issued share capital of NWD) and (ii) Ms. Sonia Cheng is an executive director of NWD. Dr. Henry Cheng is the father and therefore a LR associate of Ms. Sonia Cheng. As set out in paragraph (b)(iv) above, Dr. Henry Cheng, together with Mr. Peter Cheng, Mrs. Doo Cheng Sau Ha, Amy and Mrs. Sun Cheng Lai Ha, Cecilia, have Collective Control over CTFE and the Offeror. The NWD Disposal is therefore capable of conferring upon Ms. Sonia Cheng's LR associate, namely Dr. Henry Cheng, an indirect benefit which is not available to other NWD Shareholders. On this basis, Ms. Sonia Cheng has a material interest in the NWD Disposal and will be required to abstain from voting on the resolution to be proposed at the NWD EGM for approving the NWD Disposal;
- (f) (i) Mr. Cheng Chi Heng holds 133,444 NWD Shares (representing 0.01% of the issued share capital of NWD); and (ii) Mr. Cheng Chi Heng is a CTFE Director and a non-executive director of NWD. Mr. Peter Cheng is the father and therefore a LR associate of Mr. Cheng Chi Heng. As set out in paragraph (b)(iv) above, Mr. Peter Cheng, together with Dr. Henry Cheng, Mrs. Doo Cheng Sau Ha, Amy and Mrs. Sun Cheng Lai Ha, Cecilia, have Collective Control over CTFE and the Offeror. The NWD Disposal is therefore capable of conferring upon Mr. Cheng Chi Heng's LR associate, namely Mr. Peter Cheng, an indirect benefit which is not available to other NWD Shareholders. On this basis, Mr. Cheng Chi Heng has a material interest in the NWD Disposal and will be required to abstain from voting on the resolution to be proposed at the NWD EGM for approving the NWD Disposal; and

- (g) Mr. William Doo Junior's spouse holds 10,000 NWD Shares (representing 0.00% of the issued share capital of NWD). While Mrs. Doo Cheng Sau Ha, Amy is the mother-in-law of Mr. William Doo Junior's spouse, Mrs. Doo Cheng Sau Ha, Amy is not a LR associate of Mr. William Doo Junior's spouse. Also, none of CTFE, the Offeror, NWS, Dr. Henry Cheng, Mr. Peter Cheng and Mrs. Sun Cheng Lai Ha, Cecilia is a LR associate of Mr. William Doo Junior's spouse. Mr. William Doo Junior's spouse does not have any interests in the shares of CTFE, the Offeror and NWS, is not a director of any of CTFE, the Offeror and NWS, and is not involved in, and has no influence over, the NWD Disposal and the NWS Offers. On this basis, the interest of Mr. William Doo Junior's spouse is aligned with the other NWD Shareholders as a seller in the NWD Disposal. Accordingly, Mr. William Doo Junior's spouse does not have a material interest in, and will not be required to abstain from voting on the resolution to be proposed at the NWD EGM for approving the NWD Disposal.

However, given (i) the Offeror, being a party to the NWD Disposal, is a majority-controlled company (within the meaning of the Listing Rules) and therefore a LR associate of, among others, Mrs. Doo Cheng Sau Ha, Amy; and (ii) the family relationship between Mrs. Doo Cheng Sau Ha, Amy and Mr. William Doo Junior's spouse, Mr. William Doo Junior's spouse will voluntarily abstain from voting on the resolution to be proposed at the NWD EGM for approving the NWD Disposal.

## **PART (3): GENERAL**

### **25. INFORMATION ON THE OFFEROR**

The Offeror is a company incorporated in the British Virgin Islands with limited liability and is a wholly-owned subsidiary of CTFE. The Offeror is engaged in investment holding.

CTFE is a company incorporated in Hong Kong with limited liability. The CTFE Group is principally engaged in investment holding. As at the Announcement Date, CTFE is beneficially wholly-owned by CTFH, which is held as to 81.03% by CTFC, which is in turn held as to 48.98% by Cheng Yu Tung Family (Holdings) Limited and as to 46.65% by Cheng Yu Tung Family (Holdings II) Limited. Dr. Henry Cheng, Mr. Peter Cheng, Mrs. Sun Cheng Lai Ha, Cecilia and Mrs. Doo Cheng Sau Ha, Amy collectively hold a majority interest in each of Cheng Yu Tung Family (Holdings) Limited and Cheng Yu Tung Family (Holdings II) Limited.

### **26. INFORMATION ON THE NWD GROUP**

NWD is a company incorporated in Hong Kong with limited liability whose shares are listed on the Main Board of the Stock Exchange. The NWD Group is principally engaged in property development, property investment, and investment in and/or operation of roads, construction, insurance, hotels and other strategic businesses.

As at the Announcement Date, CTFE and the Relevant CTFE Subsidiaries hold approximately 45.24% of the issued shares of NWD.

## 27. INFORMATION ON THE NWS GROUP

NWS is a company incorporated in Bermuda with limited liability whose shares are listed on the Main Board of the Stock Exchange. The NWS Group invests and operates a wide range of business predominantly in Hong Kong and Mainland China. Its core businesses include toll roads, construction and insurance, while it also manages a strategic portfolio spanning sectors from logistics and facilities management.

The unaudited consolidated net asset value of NWS and net asset value attributable to NWS Shareholders as at 31 December 2022 were HK\$50,083 million and HK\$39,692 million, respectively.

The consolidated profit from continuing operations before income tax and consolidated profit from continuing operations and discontinued operations after income tax of NWS for the two financial years ended 30 June 2022 and 30 June 2021 and for the six months ended 31 December 2022 and 31 December 2021 were as follows:

	For the financial year ended 30 June		For the six months ended 31 December	
	2022	2021	2022	2021
	<i>HK\$'million</i>	<i>HK\$'million</i>	<i>HK\$'million</i>	<i>HK\$'million</i>
	(audited)	(audited) (restated)	(unaudited)	(unaudited) (restated)
<b>Profit from continuing operations before income tax</b>	2,458	2,443	1,750	1,820
<b>Profit from continuing operations and discontinued operations after income tax</b>	2,184	1,708	1,469	1,882

As at the Announcement Date, the NWD Group holds 2,380,495,938 NWS Shares, representing 60.88% of the issued share capital of NWS.

## 28. REASONS FOR AND BENEFITS OF THE NWS OFFERS

The principal reasons for and benefits of the NWS Offers (as considered by the Offeror) for NWD, all NWS Shareholders (including NWD), the NWS Group and CTFE are set out below:

### **For NWS Shareholders**

#### *For NWD only*

##### *(a) Immediately strengthen NWD's financial position*

In response to persistent high interest rates, NWD's management has stated its commitment to reducing NWD's financial leverage as part of its sound financial management. As previously disclosed by NWD, its plan to reduce its financial leverage comprises disposals of non-core assets, optimisation of its capital expenditure, treasury management and adjustment of its dividend payments.

The NWD Disposal would provide NWD with cash proceeds of approximately HK\$21,782 million, which will immediately strengthen NWD's financial position. Assuming the NWD Disposal had been completed on 31 December 2022, based on the Offeror's assessment, NWD Group's net gearing (as measured by consolidated net debt to total equity) would have decreased from around 47% to around 42% (before payout of the special dividend as disclosed in "21. Conditional Special Dividend" in this joint announcement).

##### *(b) Enhance the strategic focus of NWD on property development, property investment and property related businesses, and other relevant customer focused businesses*

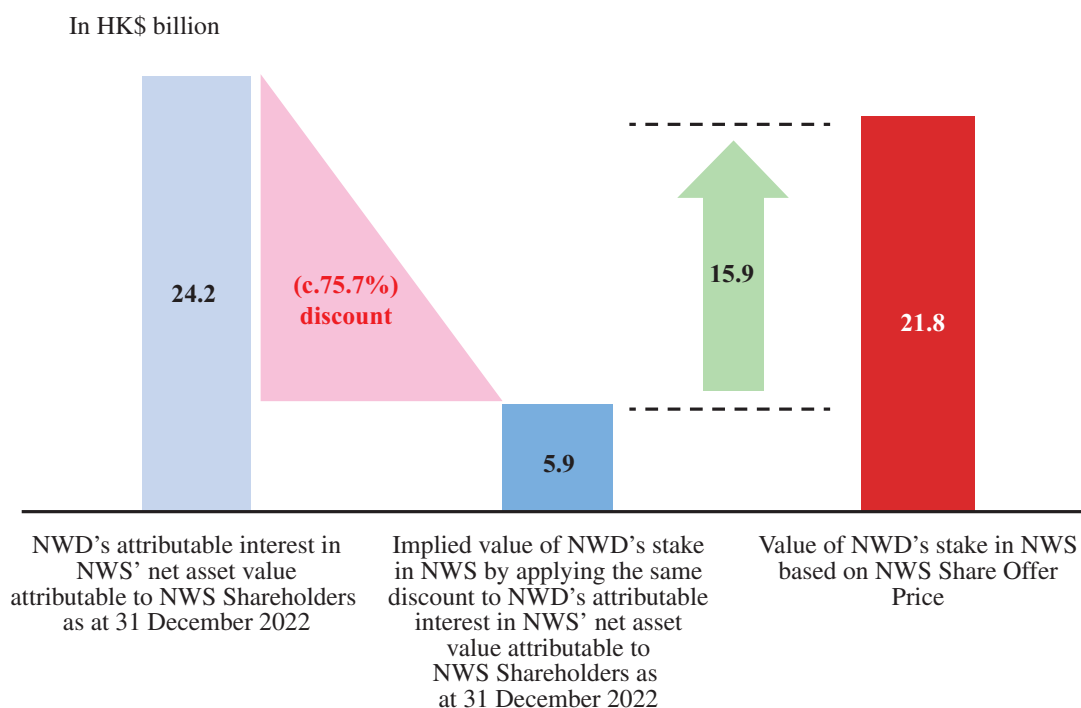
The NWD Group's property development and investment businesses and the NWS Group's diversified industries businesses are currently appraised and assessed by the market using different valuation methodologies given their distinct earnings, cash flow and net asset value profiles. They also attract investors with different investment focuses.

As stated in NWD's announcement of interim results for the six months ended 31 December 2022, NWD has been actively exploring strategic options for its various business in order to sharpen the respective strategic focuses of its group companies. Following the NWD Disposal, the business portfolio and asset profile of the NWD Group will be streamlined to enable NWD to focus mainly on property development, property investment and property related businesses, and other relevant customer focused businesses in Hong Kong and Mainland China.



(c) *Unlock value for NWD Shareholders*

The NWD Disposal would unlock value for NWD Shareholders. Currently, the value of NWD's stake in NWS is subject to a holding company discount. On the Last Trading Date, the market capitalisation of NWD represented a discount of approximately 75.7% to the NWD Group's consolidated net asset value attributable to NWS Shareholders as at 31 December 2022, implying a value of about HK\$5,863 million for NWD's stake in NWS if the same discount is applied to NWD's attributable interest in NWS net asset value attributable to NWS Shareholders. As the NWS Share Offer Price represents a discount of only approximately 9.9% to NWS net asset value attributable to NWS Shareholders per NWS Share as at 31 December 2022, disposing of NWD's interest in NWS at the NWS Share Offer Price would realise a premium of approximately HK\$15,919 million, or approximately 271.5% over the implied value of NWD's stake in NWS as at the Last Trading Date.

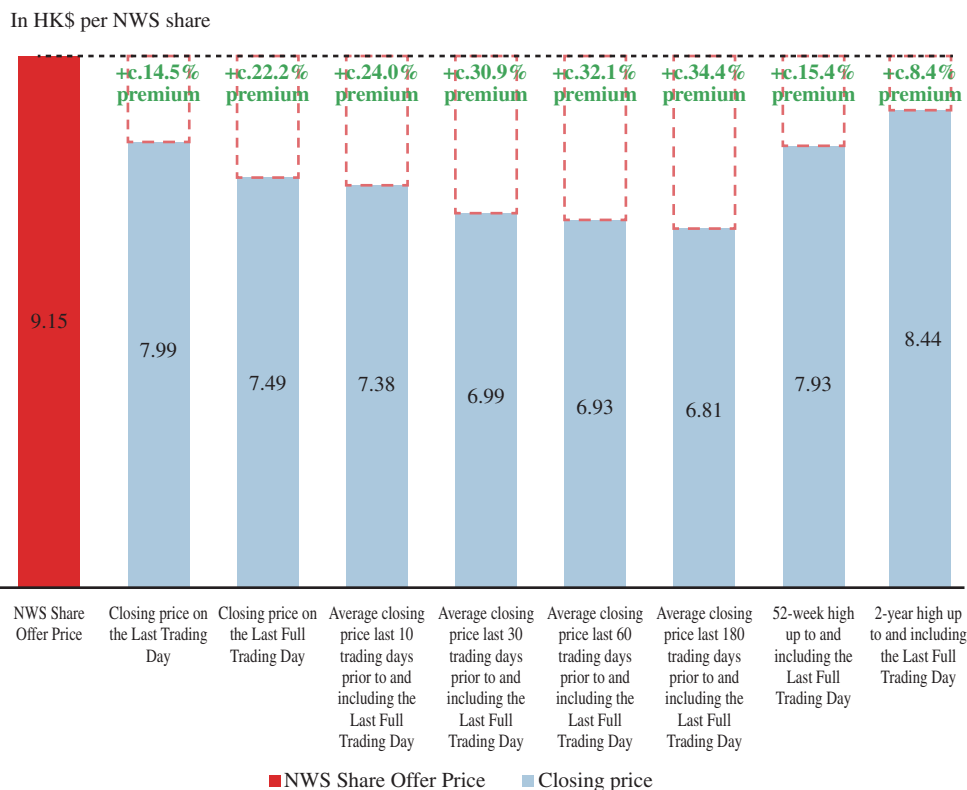


***For all NWS Shareholders (including NWD)***

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

The NWS Share Offer Price, being HK\$9.15 per NWS Offer Share, represents a premium of approximately 22.2% over the closing price per NWS Share of HK\$7.49 on the Last Full Trading Date. It also represents a premium of approximately 32.1% and 34.4% over the average closing prices of approximately HK\$6.93 and approximately HK\$6.81 per NWS Share on the Stock Exchange for the 60 and 180 consecutive trading days up to and including the Last Full Trading Date, respectively.

During the two-year period ended on and including the Last Full Trading Date, the highest and lowest closing prices per NWS Share on the Stock Exchange were HK\$8.44 and HK\$5.57, respectively. The NWS Share Offer Price represents a premium of approximately 8.4% over the highest closing price in the above period.



(b) *An opportunity for NWS Shareholders to monetise NWS Shares without adversely affecting the market price*

The liquidity of NWS Shares has been at a low level over a long period of time. The average daily trading volume of NWS Shares for the 12 months preceding and including the Last Full Trading Date was approximately 1.6 million NWS Shares per day, representing only 0.04% of the total issued share capital of NWS as at the Last Full Trading Date and less than 0.12% of the public float of NWS as at the Last Full Trading Date. The low trading liquidity of NWS Shares makes it difficult for holders of the NWS Offer Shares to execute significant on-market disposals of NWS Shares without adversely affecting the market price of NWS Shares. The NWS Share Offer affords NWS Shareholders an opportunity to realise their investments in NWS without such difficulty and receive a cash price significantly above the prevailing market price of the NWS Shares.

(c) *NWS Shareholders are unlikely to receive an alternative offer on more favourable terms or at all*

For over two decades, CTFE has been a controlling shareholder of NWD and NWD has maintained majority voting control of NWS. Both NWD and NWS have been integral parts of CTFE's investment portfolio. This poses additional hurdles for a third party outside of the CTFE Group and the NWD Group to make an offer for the NWS Offer Shares, as such third party would be unable to acquire statutory control of NWS unless the NWD Group agrees to dispose of its controlling stake in NWS, which in turn would require approval from NWD Shareholders (including the CTFE Group) under the Listing Rules. It is therefore unlikely that NWS Shareholders would receive an alternative offer for the NWS Offer Shares, or if received one which is on terms which are more favourable than those of the NWS Share Offer.

### ***For the NWS Group***

#### *Enhance financial flexibility*

Upon completion of the NWD Disposal, NWS will cease to be a subsidiary of NWD and will therefore enjoy greater financial flexibility to optimise its capital structure and improve its cost of capital, including the pursuing of financing or re-financing opportunities at more favourable terms should they become available to NWS.

### ***For CTFE***

CTFE is interested in the NWS Group indirectly through its approximately 45.24% shareholding in NWD, which holds 60.88% of NWS, and CTFE intends, through the NWS Offers, to increase its interest in the NWS Group with the Offeror (wholly-owned by CTFE) becoming a direct controlling shareholder of NWS.

## **29. INTENTIONS OF THE OFFEROR WITH REGARD TO THE NWS GROUP**

As at the Announcement Date, it is the intention of the Offeror that, subject to the results of the Review (as defined below), after the close of the NWS Offers, (i) there will not be significant changes in the management and continued employment of the employees of the NWS Group; (ii) the NWS Group will continue with its existing businesses; and (iii) no major changes will be introduced to the existing operations or business of the NWS Group (including any redeployment of fixed assets of the NWS Group) other than in its ordinary course of business.

The Offeror will, following the close of the NWS Offers, conduct a review (“**Review**”) of, among others, the business operations and strategies, asset portfolio, financial position and dividend policy of the NWS Group, with a view to optimising the business plans and strategies for the future business development of the NWS Group and creating further value for NWS Shareholders.

Subject to the results of the Review and in compliance with all applicable legal and regulatory requirements, the Offeror intends to explore opportunities together with the NWS Board to:

- (i) rationalise and develop a sustainable and balanced financing strategy focused on the financial conditions and needs of the NWS Group with a view to optimising its capital structure, which may include proactively pursuing financing and re-financing opportunities that may be available to the NWS Group following the NWD Disposal;
- (ii) increase NWS' total dividend payout. NWS is currently committed to delivering a sustainable and progressive dividend policy which aims to steadily increase or at least maintain the Hong Kong dollar amount of the total ordinary dividend per share in respect of each financial year. Subject to the results of the Review, the Offeror intends to request the NWS Board to maximise the total dividend payout of NWS by paying special dividends in addition to ordinary dividends, subject to compliance with applicable legal and regulatory requirements, approval by the NWS Board and NWS Shareholders where required, and taking into account the financial performance (such as the capital structure, cash flow and liquidity position) and future funding needs of the NWS Group, the prevailing economic and market conditions and any other relevant matters that may impact the business or financial performance of the NWS Group; and
- (iii) proactively optimise the NWS Group's business and asset portfolio. In line with NWS' strategy to crystallise value from its business portfolio to achieve sustainable long term growth, prudent risk management and value for all stakeholders, the NWS Group has made certain investments and disposed of certain non-core businesses and investments in recent years. For instance, in the last three years, the NWS Group acquired a 40% interest in Guigang-Wuzhou Expressway (貴港至梧州高速公路) and seven logistics warehouses in Chengdu, Wuhan and Suzhou, and disposed of the aircraft leasing platform owned by Goshawk Aviation Limited, NWS Transport Services Limited, SUEZ NWS Limited and 廈門集裝箱碼頭集團有限公司 (Xiamen Container Terminal Group Co., Ltd.\*), to name a few. The Offeror intends that NWS should proactively further this strategy and continuously monitor the composition of its business and asset portfolio, including identifying and realising its investments in assets which no longer complement the future business development of the NWS Group or where the disposal will enhance the value to its shareholders. The Offeror believes that this would enable the NWS Group to better focus its resources on its core businesses, optimise its asset portfolio and returns to its shareholders, and enhance corporate efficiency in the long run.

### **30. CONFIRMATION OF FINANCIAL RESOURCES**

On the assumption that the number of NWS Options will not change and all NWS Options will be exercised before the close of the NWS Share Offer, NWS will have to issue 84,638,650 new NWS Shares, representing 2.16% of the issued share capital of NWS as at the Announcement Date and 2.12% of the enlarged issued share capital of NWS. On this basis and on the assumption that the number of NWS Shares will otherwise not change before the NWS Share Offer Closing Date, there will be 3,876,019,575 NWS Offer Shares, the value of the NWS Share Offer will be approximately HK\$35,466 million and no amount will be payable by the Offeror under the NWS Option Offer. On this basis and taking into account the buyer's ad valorem stamp duty payable by the Offeror (based on the market value of the NWS Offer Shares at the closing price of NWS Shares on the Last Full Trading Date), the maximum amount of cash required to implement the NWS Offers would be approximately HK\$35,512 million.

The Offeror intends to finance the cash required for the NWS Offers from a combination of its existing cash resources and the Offer Facility. The Offeror currently expects to repay the Offer Facility with its working capital, which will include, among others, any dividends and distributions which may be received from NWS following the NWS Offers. In this regard, the Offeror, which will become a controlling shareholder of NWS following the NWS Offers, intends to request the NWS Board to maximise the total dividend payout of NWS by paying special dividends in addition to ordinary dividends, subject to the factors as set out in "29. Intentions of the Offeror with regard to the NWS Group" in this joint announcement.

HSBC, being one of the Joint Financial Advisers, is satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptance of the NWS Offers in accordance with their respective terms.

### **31. TAXATION AND INDEPENDENT ADVICE**

NWS Shareholders and NWS Optionholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting the NWS Offers. It is emphasised that none of the Offeror, NWD, NWS or the Joint Financial Advisers, nor any of their respective directors, officers or associates or any other person involved in the NWS Offers, accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their accepting or not accepting the NWS Offers.

### **32. DEALINGS DISCLOSURE**

In accordance with Rule 3.8 of the Takeovers Code, respective associates (including, among others, persons holding 5% or more of any class of relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code)) of NWS and the Offeror are hereby reminded to disclose their dealings in the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of NWS under Rule 22 of the Takeovers Code during the NWS 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, including the NWS ADSs, 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 of an offeror or the offeree company 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 obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.*

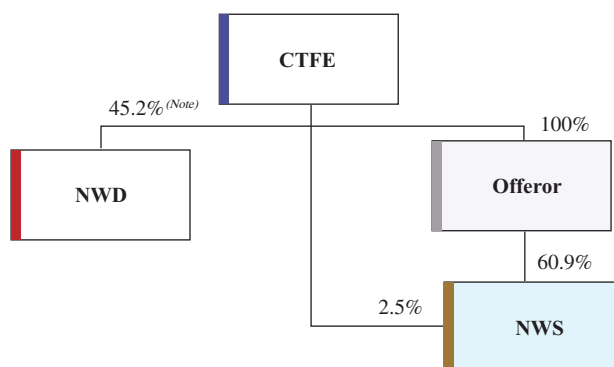
*Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities, including the NWS ADSs, should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including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

**33. CONTINUING CONNECTED TRANSACTIONS WHICH MAY RESULT FROM THE NWS OFFERS AND NWD DISPOSAL**

Immediately after completion of the NWS Offers (if made) and assuming that (i) the Offeror does not effect the compulsory acquisition of the remaining NWS Offer Shares (in which case the listing status of the NWS Shares on the Main Board of the Stock Exchange is expected to be maintained) and (ii) there is no change in the shareholding structure of NWD:

- (a) CTFE, together with the Offeror, will hold at least 63.36% of the total issued share capital of NWS. CTFE will therefore become a substantial shareholder of NWS and will remain as a connected person of NWS;
- (b) CTFE and the Relevant CTFE Subsidiaries will continue to hold approximately 45.24% of the total issued share capital of NWD. CTFE will therefore remain as a substantial shareholder and a connected person of NWD;
- (c) NWD, as a company directly and indirectly owned as to approximately 45.24% by CTFE, the then substantial shareholder of NWS, will also remain as a connected person of NWS; and
- (d) NWS will become an indirect non-wholly-owned subsidiary of CTFE, a substantial shareholder of NWD. NWS will therefore become a connected person of NWD.

**Simplified group chart of NWS and NWD immediately after completion of the NWS Offers and assuming full acceptance of the NWS Share Offer by the NWD Group only**



*Note: Comprising the total shareholding in NWD of CTFE and the Relevant CTFE Subsidiaries*

**Master Services Agreement between NWD and NWS**

References are made to the NWS CCT Announcement and the NWS CCT Circular. As disclosed therein, among other things:

- (a) NWD is currently a substantial shareholder and therefore a connected person of NWS. To streamline the reporting, announcement and the independent shareholders' approval process of the continuing connected transactions entered into between the NWS Group and the NWD Group in the ordinary course of business, NWS and NWD had entered into the Existing NWD Master Services Agreement on 24 April 2020;
- (b) the Existing NWD Master Services Agreement will expire on 30 June 2023;
- (c) NWS and NWD entered into the New NWD Master Services Agreement on 28 April 2023 for a term from 1 July 2023 to 30 June 2026, which is on similar terms and/or conditions and covering similar scope of services as in the Existing NWD Services Agreement; and
- (d) the New NWD Master Services Agreement shall take effect on 1 July 2023, conditional upon the passing of an ordinary resolution at the NWS SGM by the independent shareholders of NWS to approve the New NWD Master Services Agreement, the transactions contemplated thereunder and the maximum aggregate annual transaction values for the transactions contemplated thereunder.

For the major terms of the New NWD Master Services Agreement, please see “New Master Services Agreements — 2. New NWD Master Services Agreement” in the NWS CCT Announcement and “New Master Services Agreements — 1. New NWD Master Services Agreement” in the Letter from the Board in the NWS CCT Circular.

Reference is also made to the NWD CCT Announcement, in which it was disclosed, among other things:

- (a) CTFE is a substantial shareholder and therefore a connected person of NWD;
- (b) NWD and CTFE entered into the New CTFE Master Services Agreement on 28 April 2023 in respect of the provision of certain services between the NWD Group and the CTFE Group for a term from 1 July 2023 to 30 June 2026, which is on similar terms and/or conditions and covering similar scope of services as in the Existing CTFE Master Services Agreement (which will expire on 30 June 2023);
- (c) the transactions under the New CTFE Master Services Agreement constitute continuing connected transactions of NWD; and
- (d) as the highest applicable percentage ratio for NWD in respect of the maximum aggregate annual transaction values for the transactions contemplated under the New CTFE Master Services Agreement is more than 0.1% but less than 5%, the New CTFE Master Services Agreement is subject to reporting, announcement and annual review requirements but is exempt from the independent shareholders' approval requirement for NWD under Chapter 14A of the Listing Rules.

For the major terms of the New CTFE Master Services Agreement, please see "The 2023 CTFE Master Services Agreement" in the NWD CCT Announcement.

As NWS will become a connected person of NWD upon completion of the NWS Offers, the transactions contemplated under the New NWD Master Services Agreement will then also become continuing connected transactions of NWD. As NWS will become an indirect subsidiary of CTFE upon completion of the NWS Offers, the transactions contemplated under the New NWD Master Services Agreement will be covered by the transactions contemplated under the New CTFE Master Services Agreement. Therefore, the maximum aggregate annual transaction values under the New CTFE Master Services Agreement may increase.

If the highest applicable percentage ratio for NWD in respect of any revised maximum aggregate annual transaction values for the transactions contemplated under the New CTFE Master Services Agreement after completion of the NWS Offers will be 5% or above, such revised maximum aggregate annual transaction values will be subject to the reporting, announcement, annual review and independent shareholders' approval requirements for NWD under Chapter 14A of the Listing Rules. Any such independent shareholders' approval will be sought at the NWD EGM but will not be a Condition to the NWS Share Offer.

Save as disclosed above, there are no other existing transactions between the NWD Group and the NWS Group as at the Announcement Date which will become connected transactions or continuing connected transactions of NWD under Chapter 14A of the Listing Rules upon completion of the NWS Offers.



### **34. PRECAUTIONARY LANGUAGE REGARDING FORWARD-LOOKING STATEMENTS**

This joint announcement includes certain “forward-looking statements”. These statements are based on the current expectations of the management of the Offeror, NWD and/or NWS (as the case may be) and are naturally subject to uncertainty and changes in circumstances. The forward-looking statements contained in this joint announcement include statements about the expected effects of the NWS Offers, the expected timing and scope of the NWS Offers and all other statements in this joint 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 Pre-Conditions and Conditions to the NWS Offers, as well as additional factors, such as general, social, economic and political conditions in the countries in which the relevant entity operates or other countries which have an impact on the relevant company’s business activities or investments, interest rates, the monetary and interest rate policies of the countries in which the relevant company operates, inflation or deflation, foreign exchange rates, the performance of the financial markets in the countries in which the relevant company operates and globally, changes in domestic and foreign laws, regulations and taxes, changes in competition and the pricing environments in the countries in which the relevant company operates, regional or general changes in asset valuations and disruptions or reductions in travel and operations due to natural or man-made disasters, pandemics, epidemics, or outbreaks of infectious or contagious diseases such as the novel coronavirus or the outbreak or escalation of war or hostilities. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements.

All forward-looking statements attributable to the Offeror, NWD and/or NWS (as the case may be) 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.

Any forward-looking statement contained in this joint announcement based on past or current trends and/or activities of the relevant company should not be taken as a representation that such trends or activities will continue in the future. No statement in this joint announcement is intended to be a profit forecast or to imply that the earnings of the relevant company for the current year or future years will necessarily match or exceed its historical or published earnings. Each forward-looking statement speaks only as at the date of the particular statement. Subject to the requirements of the Takeovers Code and other applicable laws and regulations, each of the Offeror, NWD and NWS expressly disclaims any obligation or undertaking to release publicly any updates or

revisions to any forward-looking statements contained herein to reflect any change in their expectations with regard thereto or any change in events, conditions of circumstances on which any such statement is based.

### **35. NOTICE TO NWS SHAREHOLDERS AND NWS OPTIONHOLDERS**

This joint announcement does not constitute an offer to sell or an invitation or solicitation of an offer to acquire, purchase or subscribe for any securities or a solicitation of any vote or approval in any jurisdiction. This joint announcement does not constitute a prospectus or a prospectus equivalent document. NWS Shareholders and NWS Optionholders are advised to read carefully the Composite Document and/or the letter to NWS Shareholders and/or NWS Optionholders once they have been despatched.

In particular, this joint announcement is not an offer of securities for sale or the solicitation of an offer to buy any securities in the United States or any other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. Any NWS Shareholder or NWS Optionholder that is a citizen, resident or national of a jurisdiction outside Hong Kong is responsible for fully observing and complying with the laws of the relevant country, jurisdiction or territory, including obtaining any government or other consents that may be required and observing any other formalities in such country, jurisdiction or territory.

### **36. RESUMPTION OF TRADING IN THE SECURITIES OF NWD AND NWS**

At the request of NWD, trading in the NWD Shares and NWD Bonds on the Stock Exchange was halted from 3:42 p.m. on 23 June 2023 pending the release of this joint announcement. An application has been made by NWD to the Stock Exchange for a resumption of trading in the NWD Shares and NWD Bonds with effect from 9:00 a.m. on 27 June 2023.

At the request of NWS, trading in the NWS Shares and NWS Bonds on the Stock Exchange was halted from 1:05 p.m. on 23 June 2023 pending the release of this joint announcement. An application has been made by NWS to the Stock Exchange for a resumption of trading in the NWS Shares and NWS Bonds with effect from 9:00 a.m. on 27 June 2023.

### 37. DEFINITIONS

In this joint announcement, the following terms have the meanings set out below, unless the context requires otherwise:

- “Announcement Date”** means 26 June 2023, being the date of this joint announcement;
- “associate”** has the meaning ascribed to it under the Takeovers Code;
- “Authorisation(s)”** means authorisations, registrations, filings, rulings, consents, permissions, waivers, exemptions and approvals from the Relevant Authorities;
- “Bermuda Insurance Act”** Insurance Act 1978 (as amended) of Bermuda;
- “Bermuda Monetary Authority Approval”** means confirmation of consent, approval and/or no-objection by the Bermuda Monetary Authority under Section 30D of the Bermuda Insurance Act in respect of the change in controller (as defined under the Bermuda Insurance Act) of FTLife Insurance which may result from the NWS Offers (to the extent such confirmation is required);
- “BOCI”** means BOCI Asia Limited, being one of the Joint Financial Advisers, a registered institution under the SFO, registered to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO;
- “BOCI Group”** means BOCI and persons controlling, controlled by or under the same control as BOCI;
- “Collective Control”** means the collective control of Dr. Henry Cheng, Mr. Peter Cheng, Mrs. Doo Cheng Sau Ha, Amy and Mrs. Sun Cheng Lai Ha, Cecilia over each of CTFE and the Offeror by virtue of the majority interest collectively held by Dr. Henry Cheng, Mr. Peter Cheng, Mrs. Doo Cheng Sau Ha, Amy and Mrs. Sun Cheng Lai Ha, Cecilia in Cheng Yu Tung Family (Holdings) Limited and Cheng Yu Tung Family (Holdings II) Limited, which respectively hold 48.98% and 46.65% of the issued shares of CTFC, which holds 81.03% of the issued shares of CTFH, which wholly-owns CTFE, which in turn wholly-owns the Offeror;
- “Companies Act”** means the Companies Act 1981 (as amended) of Bermuda;

<b>“Composite Document”</b>	means the composite offer and response document to be issued by or on behalf of the Offeror and NWS to the NWS Shareholders and the NWS Optionholders in accordance with the Takeovers Code in relation to the NWS Offers;
<b>“Conditions”</b>	means the conditions to the NWS Share Offer, as set out in “8. Conditions to the NWS Offers” in this joint announcement;
<b>“connected person”</b>	has the meaning ascribed to it under the Listing Rules;
<b>“controlling shareholder”</b>	has the meaning ascribed to it under the Listing Rules;
<b>“Court”</b>	means the Supreme Court of Bermuda;
<b>“CTFC”</b>	means Chow Tai Fook Capital Limited, a company incorporated in the British Virgin Islands with limited liability. CTFC holds 81.03% of CTFH as at the Announcement Date;
<b>“CTFE”</b>	means Chow Tai Fook Enterprises Limited (周大福企業有限公司), a company incorporated in Hong Kong with limited liability. CTFE is a beneficially wholly-owned subsidiary of CTFH;
<b>“CTFE Board”</b>	means the board of CTFE Directors;
<b>“CTFE Director(s)”</b>	means the director(s) of CTFE;
<b>“CTFE Group”</b>	means CTFE and its subsidiaries, including the Offeror;
<b>“CTFH”</b>	means Chow Tai Fook (Holding) Limited, a company incorporated in the British Virgin Islands with limited liability. CTFH is the sole shareholder of CTFE;
<b>“CTFH Group”</b>	means CTFH and its subsidiaries, including the CTFE Group and CTFN. For the avoidance of doubt, the CTFH Group excludes the NWD Group;
<b>“CTFN”</b>	means Chow Tai Fook Nominee Limited (周大福代理人有限公司), a company incorporated in Hong Kong with limited liability. CTFN is a subsidiary of CTFH;
<b>“Disinterested NWS Optionholder”</b>	means a holder of NWS Option(s) who is not an Offeror Concert Party;
<b>“Disinterested NWS Shareholders”</b>	means the holders of the Disinterested NWS Shares;

- “Disinterested NWS Shares”** means NWS Shares other than those owned by the Offeror or any of the Offeror Concert Parties. For the avoidance of doubt, the Disinterested NWS Shares include any NWS Offer Shares held by any member of the HSBC Group, the BOCI Group or the ING Group for and on behalf of any non-discretionary investment client who is not an Offeror Concert Party;
- “Dr. Adrian Cheng”** means Dr. Cheng Chi Kong, Adrian, a CTFE Director, an executive director of NWS and the executive vice-chairman, the chief executive officer and an executive director of NWD. Dr. Adrian Cheng is the son of Dr. Henry Cheng, the brother of Mr. Brian Cheng, Mr. Christopher Cheng and Ms. Sonia Cheng, the nephew of Mr. Peter Cheng, Mrs. Doo Cheng Sau Ha, Amy, Mr. William Doo Senior and Mrs. Sun Cheng Lai Ha, Cecilia, and the cousin of Mr. Cheng Chi Heng and Mr. William Doo Junior;
- “Dr. Henry Cheng”** means Dr. Cheng Kar Shun, Henry, a CTFE Director, the chairman and an executive director of NWS and the chairman and an executive director of NWD. Dr. Henry Cheng, together with Mr. Peter Cheng, Mrs. Sun Cheng Lai Ha, Cecilia and Mrs. Doo Cheng Sau Ha, Amy collectively hold a majority interest in each of Cheng Yu Tung Family (Holdings) Limited and Cheng Yu Tung Family (Holdings II) Limited, which respectively hold 48.98% and 46.65% of CTFC, which holds 81.03% of CTFH, which in turn wholly-owns CTFE, which is the sole shareholder of the Offeror. Dr. Henry Cheng is the father of Dr. Adrian Cheng, Mr. Brian Cheng, Mr. Christopher Cheng and Ms. Sonia Cheng, the brother of Mr. Peter Cheng, Mrs. Sun Cheng Lai Ha, Cecilia and Mrs. Doo Cheng Sau Ha, Amy, the brother-in-law of Mr. William Doo Senior, and the uncle of Mr. Cheng Chi Heng and Mr. William Doo Junior;
- “Encumbrances”** means any mortgage, charge, pledge, lien, equities, hypothecation or other encumbrance, priority or security interest, deferred purchase, title retention, leasing, sale-and-repurchase or sale-and-leaseback arrangement, rights of pre-emption or any other third party rights of any nature or any agreement for any of the same;
- “Executive”** means the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director;

- “Existing CTFE Master Services Agreement”** means the master services agreement in relation to the provision of various types of services entered into between NWD and CTFE on 24 April 2020 as disclosed in the announcement of NWD dated 24 April 2020;
- “Existing NWD Master Services Agreement”** means the master services agreement in relation to the provision of Operational Services entered into between NWS and NWD on 24 April 2020 as disclosed in the announcement of NWS dated 24 April 2020 and the circular of NWS dated 1 June 2020;
- “FTLife Insurance”** means FTLife Insurance Company Limited, an exempted company incorporated in Bermuda with limited liability, which is an indirect wholly-owned subsidiary of NWS as at the Announcement Date. FTLife Insurance is principally engaged in the provision of diversified insurance and financial planning products and services to individuals and institutions;
- “HK\$”** means Hong Kong dollars, the lawful currency of Hong Kong;
- “Hong Kong”** means the Hong Kong Special Administrative Region of the People’s Republic of China;
- “HSBC”** means The Hongkong and Shanghai Banking Corporation Limited, being the sole structuring adviser to CTFE and the Offeror in relation to the NWS Offers, one of the Joint Financial Advisers and one of the lending banks under the Offer Facility, 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);
- “HSBC Group”** means HSBC and persons controlling, controlled by or under the same control as HSBC;

<b>“Independent NWD Shareholders”</b>	means the NWD Shareholders other than (a) CTFE and the Relevant CTFE Subsidiaries, Dr. Henry Cheng, Mr. Peter Cheng and his spouse, Dr. Adrian Cheng, Ms. Sonia Cheng and Mr. Cheng Chi Heng, who will be required under the Listing Rules to abstain from voting on the resolution to be proposed at the NWD EGM to approve the NWD Disposal as a major transaction and a connected transaction of NWD under Chapters 14 and 14A of the Listing Rules, on the bases as set out in “24. NWD EGM” in this joint announcement; and (b) any other NWD Shareholder who has a material interest in the NWD Disposal and will be required under the Listing Rules to abstain from voting on the same resolution and his close associates (as defined in the Listing Rules);
<b>“ING”</b>	means ING Bank N.V., being one of the Joint Financial Advisers and (acting through its Hong Kong Branch) one of the lending banks under the Offer Facility, a registered institution under the SFO, registered to carry on Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO and a licensed bank under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong);
<b>“ING Group”</b>	means ING and persons controlling, controlled by or under the same control as ING;
<b>“Insurance Authority Approval”</b>	means consent, approval and/or the issue of a no-objection letter by the Insurance Authority of Hong Kong under Section 35(1) of the Insurance Ordinance in respect of the change in controller (within the meaning of section 9(1)(a)(iii)(B) of the Insurance Ordinance) of FTLife Insurance which may result from the NWS Offers (to the extent such consent, approval and/or no-objection letter is required);
<b>“Insurance Ordinance”</b>	means Insurance Ordinance (Chapter 41 of the Laws of Hong Kong);
<b>“Joint Financial Advisers”</b>	means the joint financial advisers to CTFE and the Offeror in relation to the NWS Offers, namely HSBC, BOCI and ING;
<b>“Last Full Trading Date”</b>	means 21 June 2023, being the last full trading day for NWS Shares and NWD Shares which ended before the publication of this joint announcement;

<b>“Last Trading Date”</b>	means 23 June 2023, being the last trading day for NWS Shares and NWD Shares which ended before the publication of this joint announcement, and the date on which trading of the NWS Shares and NWD Shares was halted pending the release of this joint announcement;
<b>“Listing Rules”</b>	means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
<b>“Long Stop Date”</b>	means the date falling six months after the Announcement Date (or any later date as CTFE and the Offeror may agree);
<b>“LR associate”</b>	has the meaning ascribed to “associate” under Chapter 14A of the Listing Rules;
<b>“Mainland China”</b>	means the People’s Republic of China, and for geographical references only, excludes Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan;
<b>“Mr. Brian Cheng”</b>	means Mr. Cheng Chi Ming, Brian, an executive director of NWS and a non-executive director of NWD. Mr. Brian Cheng is the son of Dr. Henry Cheng, the brother of Dr. Adrian Cheng, Mr. Christopher Cheng and Ms. Sonia Cheng, the nephew of Mr. Peter Cheng, Mrs. Doo Cheng Sau Ha, Amy, Mr. William Doo Senior and Mrs. Sun Cheng Lai Ha, Cecilia, and the cousin of Mr. Cheng Chi Heng and Mr. William Doo Junior;
<b>“Mr. Cheng Chi Heng”</b>	means Mr. Cheng Chi Heng, a CTFE Director and a non-executive director of NWD. Mr. Cheng Chi Heng is the son of Mr. Peter Cheng, the nephew of Dr. Henry Cheng, Mrs. Doo Cheng Sau Ha, Amy, Mr. William Doo Senior and Mrs. Sun Cheng Lai Ha, Cecilia, and the cousin of Dr. Adrian Cheng, Mr. Brian Cheng, Mr. Christopher Cheng, Ms. Sonia Cheng and Mr. William Doo Junior;
<b>“Mr. Christopher Cheng”</b>	means Mr. Cheng Chi Leong, Christopher, a CTFE Director and an executive director of NWS. Mr. Christopher Cheng is the son of Dr. Henry Cheng, the brother of Dr. Adrian Cheng, Mr. Brian Cheng and Ms. Sonia Cheng, the nephew of Mr. Peter Cheng, Mrs. Doo Cheng Sau Ha, Amy, Mr. William Doo Senior and Mrs. Sun Cheng Lai Ha, Cecilia, and the cousin of Mr. Cheng Chi Heng and Mr. William Doo Junior;



**“Mr. Peter Cheng”**

means Mr. Cheng Kar Shing, Peter, a CTFE Director, and a non-executive director of NWD. Mr. Peter Cheng, together with Dr. Henry Cheng, Mrs. Sun Cheng Lai Ha, Cecilia and Mrs. Doo Cheng Sau Ha, Amy, collectively hold a majority interest in each of Cheng Yu Tung Family (Holdings) Limited and Cheng Yu Tung Family (Holdings II) Limited, which respectively hold 48.98% and 46.65% of CTFC, which holds 81.03% of CTFH, which in turn wholly-owns CTFE, which is the sole shareholder of the Offeror. Mr. Peter Cheng is the father of Mr. Cheng Chi Heng, the brother of Dr. Henry Cheng, Mrs. Sun Cheng Lai Ha, Cecilia and Mrs. Doo Cheng Sau Ha, Amy, the brother-in-law of Mr. William Doo Senior, and the uncle of Dr. Adrian Cheng, Mr. Brian Cheng, Mr. Christopher Cheng, Ms. Sonia Cheng and Mr. William Doo Junior;

**“Mr. William Doo Junior”**

means Mr. William Junior Guilherme Doo, a non-executive director of NWS. Mr. William Doo Junior is the son of Mr. William Doo Senior and Mrs. Doo Cheng Sau Ha, Amy, the nephew of Dr. Henry Cheng, Mr. Peter Cheng and Mrs. Sun Cheng Lai Ha, Cecilia, and the cousin of Dr. Adrian Cheng, Mr. Brian Cheng, Mr. Christopher Cheng, Ms. Sonia Cheng and Mr. Cheng Chi Heng;

**“Mr. William Doo Senior”**

means Mr. Doo Wai Hoi, William, the vice-chairman and a non-executive director of NWD. Mr. William Doo Senior is the spouse of Mrs. Doo Cheng Sau Ha, Amy, the father of Mr. William Doo Junior, the brother-in-law of Dr. Henry Cheng, Mr. Peter Cheng and Mrs. Sun Cheng Lai Ha, Cecilia, and the uncle of Dr. Adrian Cheng, Mr. Brian Cheng, Mr. Christopher Cheng, Ms. Sonia Cheng and Mr. Cheng Chi Heng;

**“Mrs. Doo Cheng Sau Ha, Amy”**

means Mrs. Doo Cheng Sau Ha, Amy, a CTFE Director. Mrs. Doo Cheng Sau Ha, Amy, together with Dr. Henry Cheng, Mr. Peter Cheng and Mrs. Sun Cheng Lai Ha, Cecilia, collectively hold a majority interest in each of Cheng Yu Tung Family (Holdings) Limited and Cheng Yu Tung Family (Holdings II) Limited, which respectively hold 48.98% and 46.65% of CTFC, which holds 81.03% of CTFH, which in turn wholly-owns CTFE, which is the sole shareholder of the Offeror. Mrs. Doo Cheng Sau Ha, Amy is the mother of Mr. William Doo Junior, the spouse of Mr. William Doo Senior, the sister of Dr. Henry Cheng, Mr. Peter Cheng and Mrs. Sun Cheng Lai Ha, Cecilia, and the aunt of Dr. Adrian Cheng, Mr. Brian Cheng, Mr. Christopher Cheng, Ms. Sonia Cheng and Mr. Cheng Chi Heng;

<b>“Mrs. Sun Cheng Lai Ha, Cecilia”</b>	means Mrs. Sun Cheng Lai Ha, Cecilia, a CTFE Director. Mrs. Sun Cheng Lai Ha, Cecilia, together with Dr. Henry Cheng, Mr. Peter Cheng and Mrs. Doo Cheng Sau Ha, Amy, collectively hold a majority interest in each of Cheng Yu Tung Family (Holdings) Limited and Cheng Yu Tung Family (Holdings II) Limited, which respectively hold 48.98% and 46.65% of CTFC, which holds 81.03% of CTFH, which in turn wholly-owns CTFE, which is the sole shareholder of the Offeror. Mrs. Sun Cheng Lai Ha, Cecilia is the sister of Dr. Henry Cheng, Mr. Peter Cheng and Mrs. Doo Cheng Sau Ha, Amy, the sister-in-law of Mr. William Doo Senior and the aunt of Dr. Adrian Cheng, Mr. Brian Cheng, Mr. Christopher Cheng, Ms. Sonia Cheng, Mr. Cheng Chi Heng and Mr. William Doo Junior;
<b>“Ms. Sonia Cheng”</b>	means Ms. Cheng Chi-Man, Sonia, an executive director of NWD. Ms. Sonia Cheng is the daughter of Dr. Henry Cheng, the sister of Dr. Adrian Cheng, Mr. Brian Cheng and Mr. Christopher Cheng, the niece of Mr. Peter Cheng, Mrs. Doo Cheng Sau Ha, Amy, Mr. William Doo Senior and Mrs. Sun Cheng Lai Ha, Cecilia, and the cousin of Mr. Cheng Chi Heng and Mr. William Doo Junior;
<b>“New CTFE Master Services Agreement”</b>	means the master services agreement in relation to the provision of various types of services entered into between NWD and CTFE on 28 April 2023 as disclosed in the NWD CCT Announcement;
<b>“New NWD Master Services Agreement”</b>	means the master services agreement in relation to the provision of Operational Services entered into between NWS and NWD on 28 April 2023 as disclosed in the NWS CCT Announcement and the NWS CCT Circular;
<b>“NWD”</b>	means New World Development Company Limited (新世界發展有限公司), a company incorporated in Hong Kong with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 17);
<b>“NWD Board”</b>	means the board of NWD Directors;
<b>“NWD Bonds”</b>	means the bonds issued by NWD’s wholly-owned subsidiaries and guaranteed by NWD (stock codes: 4526, 5312, 5321, 5343, 5418, 5468, 5856, 40110, 40223, 40262, 40504, 40534, 40711 and 40742);

<b>“NWD CCT Announcement”</b>	means the announcement dated 28 April 2023 issued by NWD in relation to, among others, the New CTFE Master Services Agreement;
<b>“NWD Directors”</b>	means the directors of NWD;
<b>“NWD Disposal”</b>	means NWD Group’s disposal of all the NWS Shares owned by it, representing not less than 50% of the issued NWS Shares, as a result of its acceptance of the NWS Share Offer, which is a major transaction and a connected transaction of NWD under the Listing Rules;
<b>“NWD EGM”</b>	means the extraordinary general meeting to be convened by NWD for the Independent NWD Shareholders to consider and, if thought fit, approve the NWD Disposal as a major transaction and a connected transaction of NWD under the Listing Rules;
<b>“NWD Group”</b>	means NWD and its subsidiaries (including, for the avoidance of doubt, the NWS Group before completion of the NWD Disposal);
<b>“NWD IBC”</b>	means the independent board committee of NWD established by the NWD Board pursuant to the Listing Rules to make a recommendation to the Independent NWD Shareholders in respect of the NWD Disposal as a major transaction and a connected transaction of NWD under the Listing Rules. Such independent board committee comprises all the independent non-executive directors of NWD;
<b>“NWD IFA”</b>	means the independent financial adviser to the NWD IBC and the Independent NWD Shareholders on the NWD Disposal;
<b>“NWD Shareholders”</b>	means the holders of the NWD Shares;
<b>“NWD Shares”</b>	means the shares in the capital of NWD;
<b>“NWS”</b>	means NWS Holdings Limited (新創建集團有限公司*), an exempted company incorporated in Bermuda with limited liability, the issued shares of which are listed and traded on the Main Board of the Stock Exchange (stock code: 659);
<b>“NWS ADSs”</b>	means the American depositary shares (each representing 10 NWS Shares);

<b>“NWS Board”</b>	means the board of NWS Directors;
<b>“NWS Bonds”</b>	means (i) U.S.\$650,000,000 4.25 per cent. guaranteed senior notes due 2029 issued by the indirect wholly-owned subsidiary of NWS, Celestial Dynasty Limited, and guaranteed by NWS (stock code: 5594); and (ii) U.S.\$1,300,000,000 5.75 per cent. guaranteed senior perpetual capital securities issued by the indirect wholly-owned subsidiary of NWS, Celestial Miles Limited and guaranteed by NWS (stock code: 5706);
<b>“NWS CCT Announcement”</b>	means the announcement dated 28 April 2023 issued by NWS in relation to the renewal of certain continuing connected transactions of NWS;
<b>“NWS CCT Circular”</b>	means the circular dated 5 June 2023 issued by NWS in relation to the renewal of certain continuing connected transactions of NWS;
<b>“NWS Directors”</b>	means the directors of NWS;
<b>“NWS Group”</b>	means NWS and its subsidiaries;
<b>“NWS IBC”</b>	means the independent board committee of NWS established by the NWS Board to make a recommendation to the Disinterested NWS Shareholders and the Disinterested NWS Optionholders in respect of the NWS Share Offer and the NWS Option Offer, respectively. Such independent board committee comprises all the non-executive directors of NWS except Mr. William Doo Junior and all the independent non-executive directors of NWS;
<b>“NWS IFA”</b>	means the independent financial adviser to the NWS IBC on the NWS Offers to be appointed after this joint announcement;
<b>“NWS Offer Period”</b>	has the meaning ascribed to “offer period” under the Takeovers Code, which commenced on 26 June 2023, being the Announcement Date, and which will end on the date on which (i) the NWS Offers are close for acceptances or (ii) the NWS Offers lapse. For the avoidance of doubt, the NWS Offers will not be made until and unless the Pre-Conditions are satisfied or waived (where applicable);

<b>“NWS Offer Shares”</b>	means the NWS Shares which are subject to the NWS Share Offer;
<b>“NWS Offers”</b>	means the NWS Share Offer and the NWS Option Offer;
<b>“NWS Option Offer”</b>	means the offer to be made by the Joint Financial Advisers on behalf of the Offeror to the NWS Optionholders in compliance with Rule 13 of the Takeovers Code to cancel all the NWS Options;
<b>“NWS Option Offer Price”</b>	means in relation to any NWS Option, the price at which the NWS Option Offer will be made;
<b>“NWS Optionholders”</b>	means the holders of the NWS Options;
<b>“NWS Options”</b>	means the share options, each relating to one NWS Share, granted and outstanding under the NWS Share Option Scheme from time to time, whether such options are vested or not;
<b>“NWS SGM”</b>	means the special general meeting of NWS convened on 26 June 2023 and held by NWS for the purpose of, among other things, considering and, if thought fit, approving the New NWD Master Services Agreement, the transactions contemplated thereunder and the maximum aggregate annual transaction value for the transactions contemplated thereunder;
<b>“NWS Share Charge”</b>	means the share charge granted by the Offeror, CTFE and CTFN to the lenders of the Offer Facility in respect of NWS Shares from time to time held or acquired by any of them to secure the Offer Facility;
<b>“NWS Share Offer”</b>	means the pre-conditional voluntary general cash offer to be made by the Joint Financial Advisers on behalf of the Offeror to acquire all the issued shares of NWS (other than those already beneficially owned by the CTFH Group);
<b>“NWS Share Offer Closing Date”</b>	means the date to be stated in the Composite Document as the first offer closing date of the NWS Share Offer or any subsequent offer closing date in the event that the NWS Share Offer is extended or revised in accordance with the Takeovers Code;
<b>“NWS Share Offer Price”</b>	means HK\$9.15 per NWS Offer Share;

<b>“NWS Share Option Scheme”</b>	means the share option scheme adopted by NWS on 23 November 2021;
<b>“NWS Shareholders”</b>	means the holders of the NWS Shares;
<b>“NWS Shares”</b>	means the shares in the capital of NWS;
<b>“Offer Facility”</b>	means the external debt financing obtained by the Offeror for the purpose of financing a portion of the cash required for the NWS Offers, pursuant to a facility agreement dated 26 June 2023 entered into among the Offeror as borrower, CTFE as guarantor and HSBC (in its capacity as lending bank), Bank of China (Hong Kong) Limited and ING (acting through its Hong Kong Branch) as original lenders;
<b>“Offeror”</b>	means Century Acquisition Limited, a company incorporated in the British Virgin Islands with limited liability, being a direct wholly-owned subsidiary of CTFE;
<b>“Offeror Acquisition Financing”</b>	means the Offer Facility and the financing documents ancillary thereto, including the NWS Share Charge and the Offeror Share Charge;
<b>“Offeror Board”</b>	means the board of directors of the Offeror;
<b>“Offeror Concert Parties”</b>	means the persons who are, or are presumed to be, acting in concert with the Offeror, as determined in accordance with the Takeovers Code (which, for the avoidance of doubt, excludes members of the HSBC Group and the BOCI Group which are exempt principal traders and/or exempt fund managers in their capacity as such, in each case recognised by the Executive as such for the purposes of the Takeovers Code), including, for the avoidance of doubt: <ul style="list-style-type: none"> <li>(a) CTFE, being the sole shareholder of the Offeror;</li> <li>(b) CTFH and CTFC, being the direct and indirect holding companies of CTFE;</li> <li>(c) CTFN, being a subsidiary of CTFH;</li> </ul>

- (d) Cheng Yu Tung Family (Holdings) Limited and Cheng Yu Tung Family (Holdings II) Limited, which respectively hold 48.98% and 46.65% of CTFC and are therefore associated companies (within the meaning of the Takeovers Code) of the Offeror;
- (e) Dr. Henry Cheng, Mr. Peter Cheng, Mrs. Doo Cheng Sau Ha, Amy and Mrs. Sun Cheng Lai Ha, Cecilia, who collectively hold a majority interest in each of Cheng Yu Tung Family (Holdings) Limited and Cheng Yu Tung Family (Holdings II) Limited;
- (f) Dr. Adrian Cheng, Mr. Brian Cheng and Mr. Christopher Cheng, being close relatives (within the meaning of the Takeovers Code) of Dr. Henry Cheng;
- (g) Mr. Peter Cheng’s spouse, being a close relative (within the meaning of the Takeovers Code) of Mr. Peter Cheng;
- (h) Mr. William Doo Junior, being a close relative (within the meaning of the Takeovers Code) of Mrs. Doo Cheng Sau Ha, Amy;
- (i) Mr. Chan Sau Kit, Allan, who is a director of CTFH;
- (j) the Relevant CTFE Subsidiaries;
- (k) NWD; and
- (l) Mr. Ma Siu Cheung, who is an executive director of NWD;

**“Offeror Share Charge”**

means the share charge granted by CTFE to the lenders of the Offer Facility in respect of all shares in the Offeror held by it to secure the Offer Facility;

**“Operational Services”**

the services which are to arise or arise from the principal categories of services under the New NWD Master Services Agreement, as more particularly set out in “New Master Services Agreements — 2. New NWD Master Services Agreement — Nature of Transactions/Operational Services covered” in the NWS CCT Announcement and “New Master Services Agreements — 1. New NWD Master Services Agreement — Nature of Transactions/Operational Services covered” in the Letter from the Board in the NWS CCT Circular;

<b>“Pre-Conditions”</b>	means the pre-conditions to the NWS Offers, as set out in “7. Pre-Conditions to the NWS Offers” in this joint announcement;
<b>“public”</b>	has the meaning ascribed to it under the Listing Rules;
<b>“Relevant Authorities”</b>	means governments and/or governmental bodies, regulatory bodies, courts or institutions;
<b>“Relevant CTFE Subsidiaries”</b>	means the subsidiaries of CTFE which hold 103,035,786 NWD Shares as at the Announcement Date;
<b>“Relevant Loan Terms”</b>	means any default, event of default, breach of undertakings, acceleration clause or early repayment or early redemption clause (however described) which may be triggered under any of the existing debt instruments and loan facilities of the NWS Group and the CTFE Group as a result of or in connection with the NWS Offers and/or (in the event that the Offeror were to exercise the right (if any) to acquire compulsorily those NWS Offer Shares not already beneficially owned or acquired by the CTFH Group) the possible withdrawal of the listing of the NWS Shares from the Stock Exchange;
<b>“SFC”</b>	means the Securities and Futures Commission;
<b>“SFO”</b>	means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
<b>“Stock Exchange”</b>	means The Stock Exchange of Hong Kong Limited;
<b>“subsidiary”</b>	has the meaning ascribed to it under the Listing Rules;
<b>“substantial shareholder”</b>	has the meaning ascribed to it under the Listing Rules;
<b>“Takeovers Code”</b>	means the Hong Kong Code on Takeovers and Mergers;
<b>“United States”, “U.S.” or “USA”</b>	means the United States of America, its territories and possessions, any State of the United States and the District of Columbia;
<b>“U.S. Exchange Act”</b>	means the U.S. Securities Exchange Act of 1934, as amended; and



“%”

means per cent.

*Certain amounts and percentage figures included in this joint announcement have been subject to rounding adjustments, and all percentages stated in this joint announcement are approximations.*

*\* For identification purposes only*

By order of the CTFE Board  
**Chow Tai Fook**  
**Enterprises Limited**  
**Dr. Cheng Kar Shun, Henry**  
*Director*

By order of the NWD Board  
**New World Development**  
**Company Limited**  
**Dr. Cheng Kar Shun, Henry**  
*Chairman*

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

By order of the Offeror Board  
**Century Acquisition Limited**  
**Mr. Tsang On Yip, Patrick**  
*Director*

Hong Kong, 26 June 2023

*As at the Announcement Date:*

- (a) (i) *the Offeror is wholly-owned by CTFE, which is beneficially wholly-owned by CTFH, which is held as to 81.03% by CTFC, which is in turn held as to 48.98% by Cheng Yu Tung Family (Holdings) Limited and as to 46.65% by Cheng Yu Tung Family (Holdings II) Limited. Dr. Cheng Kar Shun, Henry, Mr. Cheng Kar Shing, Peter, Mrs. Sun Cheng Lai Ha, Cecilia and Mrs. Doo Cheng Sau Ha, Amy collectively hold a majority interest in each of Cheng Yu Tung Family (Holdings) Limited and Cheng Yu Tung Family (Holdings II) Limited; (ii) the directors of the Offeror are Mr. Tsang On Yip, Patrick and Mr. Lam Man Kwong; (iii) the directors of CTFE are Dr. Cheng Kar Shun, Henry, Mr. Cheng Kar Shing, Peter, Mrs. Sun Cheng Lai Ha, Cecilia, Mrs. Doo Cheng Sau Ha, Amy, Mr. Cheng Chi Heng, Dr. Cheng Chi Kong, Adrian, Mr. Cheng Chi Leong, Christopher, Mr. Cheng Kam Biu, Wilson, Mr. Cheng Sek Hung, Timothy, Mr. Cheng Yu Wai, Mr. Tsang On Yip, Patrick and Mr. Wong Siu Kee; (iv) the directors of CTFH are Dr. Cheng Kar Shun, Henry, Mr. Cheng Kar Shing, Peter, Mrs. Sun Cheng Lai Ha, Cecilia, Mrs. Doo Cheng Sau Ha, Amy, Mr. Cheng Chi Heng, Dr. Cheng Chi Kong, Adrian, Mr. Tsang On Yip, Patrick, Mr. Cheng Yu Wai, Mr. Cheng Sek Hung, Timothy and Mr. Chan Sau Kit, Allan; and (v) the directors of CTFC are Dr. Cheng Kar Shun, Henry, Mr. Cheng Kar Shing, Peter, Mrs. Sun Cheng Lai Ha, Cecilia and Mrs. Doo Cheng Sau Ha, Amy;*

- (b) *the NWD Board comprises (i) seven executive directors, namely, Dr. Cheng Kar-Shun, Henry, Dr. Cheng Chi-Kong, Adrian, Ms. Cheng Chi-Man, Sonia, Mr. Sitt Nam-Hoi, Ms. Huang Shaomei, Echo, Ms. Chiu Wai-Han, Jenny and Mr. Ma Siu-Cheung; (ii) four non-executive directors, namely, Mr. Doo Wai-Hoi, William, Mr. Cheng Kar-Shing, Peter, Mr. Cheng Chi-Heng and Mr. Cheng Chi-Ming, Brian; and (iii) six independent non-executive directors, namely, Mr. Lee Luen-Wai, John, Mr. Ip Yuk-Keung, Albert, Mr. Chan Johnson Ow, Mrs. Law Fan Chiu-Fun, Fanny, Ms. Lo Wing-Sze, Anthea and Ms. Wong Yeung-Fong, Fonia; and*
- (c) *the NWS Board comprises (i) six executive directors, namely Dr. Cheng Kar Shun, Henry, Mr. Ma Siu Cheung, Mr. Ho Gilbert Chi Hang, Dr. Cheng Chi Kong, Adrian, Mr. Cheng Chi Ming, Brian and Mr. Cheng Chi Leong, Christopher; (ii) three non-executive directors, namely Mr. To Hin Tsun, Gerald, Mr. Dominic Lai and Mr. William Junior Guilherme Doo (alternate director to Mr. William Junior Guilherme Doo: Mr. Lam Wai Hon, Patrick); and (iii) six independent non-executive directors, namely Mr. Shek Lai Him, Abraham, Mr. Lee Yiu Kwong, Alan, Mrs. Oei Wai Chi Grace Fung, Mr. Wong Kwai Huen, Albert, Professor Chan Ka Keung, Ceajer and Ms. Ng Yuen Ting, Yolanda.*

*The directors of the Offeror, CTFE, CTFH and CTFC jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than information relating to the NWD Group or the NWS Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than opinions expressed by the NWD Board or the NWS Board) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statement in this joint announcement misleading.*

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

*The NWS Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than information relating to the NWD Group (excluding the NWS Group) or the CTFH Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement by the NWS Board have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statement in this joint announcement misleading.*