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The Offer is being made for the securities of a Cayman Islands company and while the Offer is subject to Hong Kong disclosure and procedural requirements, investors should be aware that these requirements are different from those of the United States of America (“US”). The financial statements included in the Composite Document have been prepared in accordance with Hong Kong Financial Reporting Standards and thus may not be comparable to financial statements of US companies.



新世界發展有限公司

New World Development Company Limited

(incorporated in Hong Kong with limited liability)

(Stock Code: 0017)

VOLUNTARY ANNOUNCEMENT

**PROPOSED PRIVATISATION BY WAY OF
VOLUNTARY CONDITIONAL CASH OFFER
BY UBS AG HONG KONG BRANCH ON BEHALF OF
NEW WORLD DEVELOPMENT COMPANY LIMITED
TO ACQUIRE ALL THE ISSUED SHARES OF
NEW WORLD DEPARTMENT STORE CHINA LIMITED
(OTHER THAN THOSE ALREADY HELD BY
NEW WORLD DEVELOPMENT COMPANY LIMITED)**

**(1) DETAILS OF THE PURCHASE;
(2) ANNOUNCEMENT OF ACCEPTANCE LEVEL; AND
(3) REMINDER OF CLOSE OF OFFER**

Sole Financial Adviser to the Offeror



UBS AG Hong Kong Branch

Reference is made to (i) the announcement dated 6 June 2017 jointly issued by New World Development Company Limited (新世界發展有限公司) (the “**Offeror**”) and New World Department Store China Limited (新世界百貨中國有限公司) (“**NWDSC**”) in respect of, amongst other things, the proposed voluntary conditional cash offer by UBS AG Hong Kong Branch (“**UBS**”) on behalf of the Offeror to acquire all the issued shares of NWDSC (other than those already held by the Offeror); (ii) the announcement dated 26 June 2017 jointly issued by the Offeror and NWDSC in respect of, amongst other things, the despatch of the Composite Document (as defined below); (iii) the composite offer and response document despatched to the NWDSC Offer Shareholders on 27 June 2017 (the “**Composite Document**”); (iv) the result announcement dated 18 July 2017 jointly issued by the Offeror and NWDSC in respect of, amongst other things, the level of acceptance on the first closing date (the “**First Closing Announcement**”); and (v) the announcement made by the Offeror dated 24 July 2017 (the “**Purchase Announcement**”) in relation to the proposed purchase by the Offeror Concert Party(ies) for not more than 45,500,000 NWDSC Shares in aggregate on market at a price of not more than HK\$2.00 for each NWDSC Share (the “**Purchase**”). Unless the context requires otherwise, capitalised terms used in this announcement shall have the same meanings as defined in the Composite Document.

DETAILS OF THE PURCHASE

As provided for in the Purchase Announcement, the Offeror Concert Party(ies) would make the Purchase with effect from Tuesday, 25 July 2017. The Offeror Concert Party which made the Purchase is a wholly-owned subsidiary of the Offeror. As at 4:00 p.m. on 25 July 2017, details of the Purchase made by the Offeror Concert Party are as follows:

Price per NWDSC Share purchased (HK\$)	Number of NWDSC Shares purchased
1.98	247,000
1.99	2,320,000
2.00	<u>42,933,000</u>
	<u><u>45,500,000</u></u>

As at 4:00 p.m. on 26 July 2017, such 45,500,000 NWDSC Shares purchased by the Offeror Concert Party represents approximately 9.74% of the Offer Shares, approximately 2.70% of the issued share capital and voting rights of NWDSC and approximately 9.74% of the Disinterested NWDSC Shares.

As provided for in the Purchase Announcement, NWDSC Shares so purchased on market by the Offeror Concert Party will be registered in its own name and thereafter will be tendered by it for valid acceptance of the Offer and such NWDSC Shares will be included towards the calculation of the acceptance as provided for under Condition (i) under the paragraph headed “3. Conditions of the Offer” in the section headed “Letter from UBS” of the Composite Document. The Offeror Concert Party has disclosed the details of the Purchase according to Rule 22 of the Takeovers Code and disclosure of the Purchase will be made pursuant to Part XV of the SFO accordingly.

LEVEL OF ACCEPTANCE

As at 4:00 p.m. on 26 July 2017, the Offeror has received valid acceptances in respect of 330,623,383 Offer Shares under the Offer, representing approximately 70.76% of the Offer Shares and approximately 19.61% of the issued share capital and voting rights of NWDSC as at 4:00 p.m. on 26 July 2017.

Of the 330,623,383 Offer Shares validly tendered for acceptance under the Offer:

- (1) 330,511,383 Offer Shares were tendered for acceptance by the Independent NWDSC Shareholders, representing approximately 70.75% of the Disinterested NWDSC Shares and approximately 19.60% of the issued share capital and voting rights of NWDSC as at 4:00 p.m. on 26 July 2017; and
- (2) 112,000 Offer Shares were tendered for acceptance by the Offeror Concert Parties, representing approximately 0.01% of the issued share capital and voting rights of NWDSC as at 4:00 p.m. on 26 July 2017.

As the NWDSC Shares so purchased under the Purchase will be tendered for acceptance under the Offer, the level of acceptance will become 376,123,383 NWDSC Shares, representing approximately 80.50% of the Offer Shares and approximately 22.31% of the issued share capital and voting rights of NWDSC.

INTERESTS OF THE OFFEROR AND THE OFFEROR CONCERT PARTIES IN NWDSC SHARES

Immediately before the commencement of the Offer Period, the total number of, and rights over, NWDSC Shares that the Offeror and the Offeror Concert Parties held, controlled or directed was 1,219,012,000 NWDSC Shares, representing approximately 72.30% of the issued share capital and voting rights of NWDSC as at 4:00 p.m. on 26 July 2017.

Save for the Purchase and the acceptance of the Offer described above, during the Offer Period and up to 4:00 p.m. on 26 July 2017, neither the Offeror nor any of the Offeror Concert Parties has acquired or agreed to acquire any NWDSC Shares or rights over NWDSC Shares.

Neither the Offeror nor any of the Offeror Concert Parties has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of NWDSC during the Offer Period and up to 4:00 p.m. on 26 July 2017, save for any borrowed NWDSC Shares which have been either on-lent or sold.

REMINDER OF CLOSE OF THE OFFER

Pursuant to the First Closing Announcement and the Takeovers Code, the Offeror would like to remind the NWDSC Offer Shareholders that the closing time and date of the Offer made by UBS for and on behalf of the Offeror has been extended to 4:00 p.m. on Tuesday, 1 August 2017 (the “**Second Closing Date**”). All other terms of the Offer, as set out in the Composite Document and the Form of Acceptance, remain unchanged. The Offeror will not increase the Offer Price.

Furthermore, as stated in the First Closing Announcement, payment will be made as soon as possible, but in any event within seven (7) Business Days following the later of (i) the date on which the Offer becomes or is declared unconditional in all respects; and (ii) the date of receipt of the complete and valid acceptance in respect of the Offer, being the date of receipt by the Registrar of all the relevant documents to render acceptance under the Offer complete and valid in accordance with the Takeovers Code, the Composite Document and the relevant accompanying Form of Acceptance. As such, the Offeror would like to remind all NWDSC Offer Shareholders to accept the Offer as soon as possible.

By order of the board of directors of
New World Development Company Limited
(新世界發展有限公司)
Wong Man-Hoi
Company Secretary

Hong Kong, 26 July 2017

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

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.