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JOINT ANNOUNCEMENT

MAJOR TRANSACTION

IN RELATION TO THE DISPOSALS

The respective boards of directors of NWD and NWCL announce that a wholly-owned subsidiary of NWCL entered into the Guiyang SP Agreement and the Chengdu SP Agreement in relation to the Disposals for an aggregate consideration of approximately RMB7,300 million (equivalent to approximately HK\$8,742.5 million) (subject to Consideration Adjustment) with a wholly-owned subsidiary of Evergrande.

THE GUIYANG SP AGREEMENT

On 29 December 2015, the Vendor (a direct wholly-owned subsidiary of NWCL and an indirect non-wholly-owned subsidiary of NWD) and the Purchaser (a wholly-owned subsidiary of Evergrande) entered into the Guiyang SP Agreement, pursuant to which the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase, the Guiyang Sale Shares and the Guiyang Subject Loan at a total cash consideration of RMB5,300 million (equivalent to approximately HK\$6,347.3 million) (subject to Consideration Adjustment). The Guiyang Sale Shares represent the entire issued share capital of the Guiyang Target.

The Guiyang Completion shall take place on the Guiyang Completion Date. Upon the Guiyang Completion, the Guiyang Target, its subsidiaries and joint venture will cease to be subsidiaries and joint venture of the Vendor.

THE CHENGDU SP AGREEMENT

On 29 December 2015, the Vendor and the Purchaser entered into the Chengdu SP Agreement, pursuant to which the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase, the Chengdu Sale Share and the Chengdu Subject Loan at a total cash consideration of RMB2,000 million (equivalent to approximately HK\$2,395.2 million) (subject to Consideration Adjustment). The Chengdu Sale Share represents the entire issued share capital of the Chengdu Target.

The Chengdu Completion shall take place on the Chengdu Completion Date. Upon the Chengdu Completion, the Chengdu Target and its subsidiary will cease to be subsidiaries of the Vendor.

LISTING RULES IMPLICATIONS

As at the date of this joint announcement, the Vendor is a direct wholly-owned subsidiary of NWCL and NWCL is a non-wholly-owned subsidiary of NWD. NWD is interested in the Disposals by virtue of its interest in NWCL and the participating interest in the Guiyang Project and the Chengdu Project under the Participation Agreement. The Disposals constitute notifiable transactions for each of NWCL and NWD.

Given that the Sale and Purchase Agreements and the Previous Sale and Purchase Agreements were entered into by the Vendor with the same party, i.e. the Purchaser, within a 12 month period, the Disposals and the Previous Disposals are aggregated pursuant to Rule 14.22 of the Listing Rules.

As the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of the Disposals and the Previous Disposals (on an aggregated basis) exceeds 25% but is less than 75% for each of NWD and NWCL, the Disposals constitute a major transaction for each of NWD and NWCL that is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

Each of NWD and NWCL will convene a general meeting to seek for approval from NWD Shareholders and NWCL Shareholders, respectively, for the Disposals. As NWD is interested in the Guiyang Project and the Chengdu Project pursuant to the Participation Agreement, NWD and its close associates are required to abstain from voting on the resolutions to be proposed at the general meeting of NWCL for approving the Disposals. Save as disclosed above, as at the date of this joint announcement, each of NWD and NWCL is not aware, having made all reasonable enquiries, that any NWD Shareholder or (as the case may be) any NWCL Shareholder is required to abstain from voting on the resolutions to be proposed at the respective general meetings of NWD and NWCL for approving the Disposals.

A circular containing, among other things, further details of the Disposals, together with a notice convening the general meeting of NWD and (as the case may be) NWCL, is expected to be despatched to the NWD Shareholders and NWCL Shareholders, respectively, on or before 20 January 2016.

As each of the Guiyang Disposal and the Chengdu Disposal is subject to the fulfillment of various conditions precedent which may or may not be fulfilled, there is no assurance that all or any of the Disposals will be completed. Shareholders and potential investors should exercise caution when dealing in the securities of NWD and NWCL.

The respective boards of directors of NWD and NWCL announce that on 29 December 2015, the Vendor (a direct wholly-owned subsidiary of NWCL and an indirect non-wholly owned subsidiary of NWD) entered into the Guiyang SP Agreement in respect of the Guiyang Disposal and the Chengdu SP Agreement in respect of the Chengdu Disposal with the Purchaser. The Purchaser is a wholly-owned subsidiary of Evergrande.

Set out below are the major terms of each of the Guiyang SP Agreement and the Chengdu SP Agreement.

THE GUIYANG SP AGREEMENT

Date

29 December 2015

Parties

- (a) New World Development (China) Limited, as the Vendor; and
- (b) Shengyu (BVI) Limited, as the Purchaser.

Assets to be disposed of

The Guiyang Sale Shares and the Guiyang Subject Loan shall be transferred to the Purchaser together with all rights and benefits accrued thereto as at the Guiyang Completion Date.

Guiyang Consideration

The Guiyang Consideration amounts to RMB5,300 million (equivalent to approximately HK\$6,347.3 million) (subject to Consideration Adjustment) and shall be paid by the Purchaser to the Vendor in cash in the following manner:

- (a) RMB1,100 million (equivalent to approximately HK\$1,317.4 million) is payable on 6 January 2016 (or any other date as may be agreed by the Vendor and the Purchaser in writing) as deposit and part payment of the Guiyang Consideration; and
- (b) RMB4,200 million (equivalent to approximately HK\$5,029.9 million) is payable on the Guiyang Completion Date (or any other date as may be agreed by the Vendor and the Purchaser in writing) as balance of the Guiyang Consideration.

Save as may be agreed between the Purchaser and the Vendor to effect the payment of any part of the Guiyang Consideration in the PRC in RMB, the payment of the Guiyang Consideration shall be made in Hong Kong in RMB or its equivalent amount in HKD determined based on the Exchange Rate.

If the Purchaser fails to pay the Guiyang Consideration in the manner as required under the Guiyang SP Agreement, it shall pay the Vendor an overdue charge on the relevant overdue amount of the Guiyang Consideration calculated at a rate of 30% per annum (determined based on commercial negotiation between the parties with emphasis on the deterrent effect of a high default rate) accrued on a daily basis, unless and until the relevant overdue amount of the Guiyang Consideration has been fully paid.

Basis of the Guiyang Consideration

The Guiyang Consideration was arrived at after arm's length negotiations between the Purchaser and the Vendor by reference to (i) the property valuation of the Guiyang Project amounting to approximately RMB7,112.8 million as at 30 June 2015 performed by an independent qualified valuer; (ii) improvement in market conditions during the period from July to November 2015; and (iii) underlying net liabilities value (other than its properties) of the Guiyang Target Group amounting to RMB2,143.7 million as at 30 November 2015. The Guiyang Consideration represented a premium of approximately 49% over the consolidated net assets value of the Guiyang Target Group as at 30 June 2015.

Guiyang Conditions Precedent

The Guiyang Completion is subject to the following Guiyang Conditions Precedent being fulfilled and/or waived (as the case may be):

- (a) the respective board of directors of the Vendor, NWCL and NWD having approved the Guiyang SP Agreement and the transactions contemplated thereunder. If required by the Listing Rules or the Stock Exchange, NWCL and/or NWD shall, pursuant to the Listing Rules, pass all necessary shareholder's resolutions (in the form of written approval from shareholders or by passing an ordinary resolution at a general meeting (if such written approval is not obtained)) to approve the Guiyang SP Agreement and the transactions contemplated thereunder, comply with the relevant announcement requirements under the Listing Rules, and obtain all other necessary approvals or waivers as required (if applicable);
- (b) the Vendor shall obtain all necessary approvals required to be obtained from third parties (including the consent of certain lender banks of the Guiyang Target Group) in relation to the transactions contemplated under the Guiyang SP Agreement (if necessary);
- (c) the respective board of directors of the Purchaser and Evergrande having approved the Guiyang SP Agreement and the transactions contemplated thereunder. If required by the Listing Rules or the Stock Exchange, the ultimate holding company of the Purchaser, i.e. Evergrande, shall, pursuant to the Listing Rules, pass all necessary shareholder's resolutions (in the form of written approval from shareholders or by passing an ordinary resolution at a general meeting (if such written approval is not obtained)) to approve the Guiyang SP Agreement and the transactions contemplated thereunder, comply with the relevant announcement requirements under the Listing Rules, and obtain all other necessary approvals or waivers as required (if applicable); and
- (d) the Purchaser shall obtain all necessary approvals required to be obtained from third parties in relation to the transaction contemplated under the Guiyang SP Agreement (if necessary).

The Vendor shall use its best endeavours to procure that paragraphs (a) and (b) of the Guiyang Conditions Precedent above are fulfilled, while the Purchaser shall use its best endeavours to procure that paragraphs (c) and (d) of the Guiyang Conditions Precedent above are fulfilled. The Purchaser may waive paragraph (b) of the Guiyang Conditions Precedent above and the Vendor may waive paragraph (d) of the Guiyang Conditions Precedent above, by written notice to the other party at any time before the Guiyang Completion.

If any of the Guiyang Conditions Precedent is not fulfilled or (where applicable) waived on or before the Guiyang Completion Date, the Vendor and the Purchaser may extend the Guiyang Completion Date to the first business day immediately after the date on which the Guiyang Conditions Precedent are fulfilled or (where applicable) waived, but in any event shall not be later than the Guiyang Longstop Date.

If any of the Guiyang Conditions Precedent is not fulfilled or (where applicable) waived on or before the Guiyang Longstop Date, Guiyang SP Agreement shall forthwith cease and terminate and neither the Vendor nor the Purchaser shall have any claim against the other, save as to any antecedent breach.

Termination

The Guiyang SP Agreement shall be terminated under the following circumstances:

- (a) the performance of the Guiyang SP Agreement having been completed;
- (b) if required under applicable law;
- (c) the Guiyang SP Agreement not being capable of performance for more than three months as a result of a force majeure event and the Vendor and the Purchaser having agreed in writing to terminate the Guiyang SP Agreement; or
- (d) the Guiyang Conditions Precedent not having been fulfilled or (where applicable) waived on or before the Guiyang Longstop Date.

Guiyang Completion

The Guiyang Completion shall take place on Guiyang Completion Date. Upon the Guiyang Completion, the Guiyang Target, its subsidiaries and joint venture will cease to be subsidiaries and joint venture of the Vendor.

FINANCIAL EFFECT OF THE GUIYANG DISPOSAL

After the Guiyang Completion, the Guiyang Target and other members of the Guiyang Target Group will cease to be subsidiaries and joint venture of NWD and NWCL and their financial results, assets and liabilities will no longer be included in the consolidated financial statements of each of the NWD Group and the NWCL Group.

The estimated indicative net gain arising from the Guiyang Disposal is expected to be approximately HK\$843.1 million for NWCL, and such gain has been determined by reference to the difference between the Guiyang Consideration and the consolidated net assets value of the Vendor's attributable interest in the Guiyang Target Group amounting to approximately HK\$2,136.8 million as at 30 June 2015 (as included in the audited consolidated financial statements of NWCL for the year ended 30 June 2015) and taking into account the estimated tax payable, being calculated at a rate of 10% on the difference between the Guiyang Consideration and the NWCL Group's cost of investment in the Guiyang Target in accordance with the relevant tax laws in the PRC. The consolidated net assets value of the NWCL Group is expected to increase accordingly. The actual gain to be recorded by NWCL can only be ascertained when the attributable consolidated net assets value of the Guiyang Target Group and the incidental transaction costs are determined upon the Guiyang Completion.

The estimated indicative net gain arising from the Guiyang Disposal is expected to be approximately HK\$1,429.8 million for NWD, and such gain has been determined by reference to NWD's approximately 69.57% attributable interest in NWCL and the participating interest in the Guiyang Project under the Participation Agreement. The consolidated net assets value of the NWD Group is expected to increase accordingly. The actual gain to be recorded by NWD can only be ascertained when the attributable consolidated net assets value of the Guiyang Target Group and the incidental transaction costs are determined upon the Guiyang Completion.

THE CHENGDU SP AGREEMENT

Date

29 December 2015

Parties

- (a) New World Development (China) Limited, as the Vendor; and
- (b) Shengyu (BVI) Limited, as the Purchaser.

Assets to be disposed of

The Chengdu Sale Share and the Chengdu Subject Loan shall be transferred to the Purchaser with all rights and benefits accrued thereto as at the Chengdu Completion Date.

Chengdu Consideration

The Chengdu Consideration amounts to RMB2,000 million (equivalent to approximately HK\$2,395.2 million) (subject to Consideration Adjustment) and shall be paid by the Purchaser to the Vendor in cash in the following manner:

- (a) RMB400 million (equivalent to approximately HK\$479.0 million) is payable on 6 January 2016 (or any other date as may be agreed by the Vendor and the Purchaser in writing) as deposit and part payment of the Chengdu Consideration; and
- (b) RMB1,600 million (equivalent to approximately HK\$1,916.2 million) is payable on Chengdu Completion Date (or any other date as may be agreed by the Vendor and the Purchaser in writing) as balance of the Chengdu Consideration.

Save as may be agreed between the Purchaser and the Vendor to effect the payment of any part of the Chengdu Consideration in the PRC in RMB, the payment of the Chengdu Consideration shall be made in Hong Kong in RMB or its equivalent amount in HKD determined based on the Exchange Rate.

If the Purchaser fails to pay the Chengdu Consideration in the manner as required under the Chengdu SP Agreement, it shall pay the Vendor an overdue charge on the relevant overdue amount of the Chengdu Consideration calculated at a rate of 30% per annum (determined based on commercial negotiation between the parties with emphasis on the deterrent effect of a high default rate) accrued on a daily basis, unless and until the relevant overdue amount of the Chengdu Consideration has been fully paid.

Basis of the Chengdu Consideration

The Chengdu Consideration was arrived at after arm's length negotiations between the Purchaser and the Vendor by reference to (i) the attributable property valuation of the Chengdu Project amounting to approximately RMB2,147.6 million as at 30 June 2015 performed by an independent qualified valuer; (ii) improvement in market conditions during the period from July to November 2015; and (iii) underlying attributable net liabilities value (other than its properties) of the Chengdu Target Group amounting to RMB359.6 million as at 30 November 2015. The Chengdu Consideration represented a premium of approximately 10% over the consolidated attributable net assets value of the Chengdu Target Group as at 30 June 2015.

Chengdu Conditions Precedent

The Chengdu Completion is subject to the following the Chengdu Conditions Precedent being fulfilled and/or waived (as the case may be):

- (a) the respective board of directors of the Vendor, NWCL and NWD having approved the Chengdu SP Agreement and the transactions contemplated thereunder. If required by the Listing Rules or the Stock Exchange, NWCL and/or NWD shall, pursuant to the Listing Rules, pass all necessary shareholder's resolutions (in the form of written approval from shareholders or by passing an ordinary resolution at a general meeting (if such written approval is not obtained)) to approve the Chengdu SP Agreement and the transactions contemplated thereunder, comply with the relevant announcement requirements under the Listing Rules, and obtain all other necessary approvals or waivers as required (if applicable);

- (b) the Vendor shall obtain all necessary approvals required to be obtained from third parties (including the consent of certain lender banks of the Chengdu Target Group) in relation to the transactions contemplated under the Chengdu SP Agreement (if necessary);
- (c) the respective board of directors of the Purchaser and Evergrande having approved the Chengdu SP Agreement and the transactions contemplated thereunder. If required by the Listing Rules or the Stock Exchange, the ultimate holding company of the Purchaser, i.e. Evergrande, shall, pursuant to the Listing Rules, pass all necessary shareholder's resolutions (in the form of written approval from shareholders or by passing an ordinary resolution at a general meeting (if such written approval is not obtained)) to approve the Chengdu SP Agreement and the transactions contemplated thereunder, comply with the relevant announcement requirements under the Listing Rules, and obtain all other necessary approvals or waivers as required (if applicable); and
- (d) the Purchaser shall obtain all necessary approvals required to be obtained from third parties in relation to the transaction contemplated under the Chengdu SP Agreement (if necessary).

The Vendor shall use its best endeavours to procure that paragraphs (a) and (b) of the Chengdu Conditions Precedent above are fulfilled, while the Purchaser shall use its best endeavours to procure that paragraphs (c) and (d) of the Chengdu Conditions Precedent above are fulfilled. The Purchaser may waive paragraph (b) of the Chengdu Conditions Precedent above and the Vendor may waive paragraph (d) of the Chengdu Conditions Precedent above, by written notice to the other party at any time before the Chengdu Completion.

If any of the Chengdu Conditions Precedent is not fulfilled or (where applicable) waived on or before the Chengdu Completion Date, the Vendor and the Purchaser may extend the Chengdu Completion Date to the first business day immediately after the date on which the Chengdu Conditions Precedent are fulfilled or (where applicable) waived, but in any event shall not be later than the Chengdu Longstop Date.

If any of the Chengdu Conditions Precedent is not fulfilled or (where applicable) waived on or before the Chengdu Longstop Date, the Chengdu SP Agreement shall forthwith cease and terminate and neither the Vendor nor the Purchaser shall have any claim against the other, save as to any antecedent breach.

Termination

The Chengdu SP Agreement shall be terminated under the following circumstances:

- (a) the performance of the Chengdu SP Agreement having been completed;
- (b) if required under applicable law;
- (c) the Chengdu SP Agreement not being capable of performance for more than three months as a result of a force majeure event and the Vendor and the Purchaser having agreed in writing to terminate the Chengdu SP Agreement; or

- (d) the Chengdu Conditions Precedent not having been fulfilled or (where applicable) waived on or before the Chengdu Longstop Date.

Chengdu Completion

The Chengdu Completion shall take place on Chengdu Completion Date. Upon the Chengdu Completion, the Chengdu Target and Chengdu Xinyi will cease to be subsidiaries of the Vendor.

FINANCIAL EFFECT OF THE CHENGDU DISPOSAL

After the Chengdu Completion, the Chengdu Target and Chengdu Xinyi will cease to be subsidiaries of NWD and NWCL and their consolidated financial results, assets and liabilities will no longer be included in the consolidated financial statements of each of the NWD Group and the NWCL Group.

The estimated indicative net gain arising from the Chengdu Disposal is expected to be approximately HK\$21.76 million for NWCL, and such gain has been determined by reference to the difference between the Chengdu Consideration and the consolidated net assets value of the Vendor's attributable interest in the Chengdu Target Group amounting to approximately HK\$1,084 million as at 30 June 2015 (as included in the audited consolidated financial statements of NWCL for the year ended 30 June 2015) and taking into account the estimated tax payable, being calculated at 10% on the difference between the Chengdu Consideration and the NWCL Group's cost of investment in the Chengdu Target in accordance with the relevant tax laws in the PRC. The consolidated net assets value of the NWCL Group is expected to increase accordingly. The actual gain to be recorded by NWCL can only be ascertained when the attributable consolidated net assets value of the Chengdu Target Group and the incidental transaction costs are determined upon the Chengdu Completion.

The estimated indicative net gain arising from the Chengdu Disposal is expected to be approximately HK\$36.9 million for NWD, and such gain has been determined by reference to NWD's approximately 69.57% attributable interest in NWCL and the participating interest in the Chengdu Project under the Participation Agreement. The consolidated net assets value of the NWD Group is expected to increase accordingly. The actual gain to be recorded by NWD can only be ascertained when the attributable consolidated net assets value of the Chengdu Target Group and the incidental transaction costs are determined upon the Chengdu Completion.

REASONS FOR AND BENEFITS OF THE DISPOSALS AND USE OF PROCEEDS

The Disposals enable the NWD Group and the NWCL Group to realise cash resources and unlock the value in their investment in the property projects held by the Guiyang Target Group and the Chengdu Target Group with faster churn. The Disposals also signify the NWD Group's and the NWCL Group's strategy of optimising its project development and investment portfolio by scaling down investment in second and third-tier cities and projects with lower gross profit margin and by focusing more resources in first-tier and 1.5-tier cities and mid-sized property projects. The net proceeds to be received by the Vendor from the Disposals will be applied towards the working capital and investment requirements of the NWD Group and the NWCL Group as appropriate.

The NWD Directors and the NWCL Directors (including the independent non-executive directors) believe that the terms of the Guiyang SP Agreement and the Chengdu SP Agreement have been negotiated on an arm's length basis and on normal commercial terms and are fair and reasonable and in the interests of the NWD Group, the NWCL Group and their respective shareholders as a whole.

INFORMATION ON THE PARTIES

The Purchaser

To the best knowledge of the NWCL Directors and the NWD Directors, the Purchaser is an investment company incorporated in the British Virgin Islands and is indirectly wholly-owned by Evergrande. Evergrande is principally engaged in the development of large scale residential properties and integrated commercial properties in the PRC.

To the best knowledge, information and belief of the NWD Directors and the NWCL Directors having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner, i.e. Evergrande, are independent of and not connected with NWD, NWCL or their respective connected persons.

The Vendor

The Vendor is a company incorporated in Hong Kong and is principally engaged in investment holding. It is a direct wholly-owned subsidiary of NWCL. As NWCL is a non-wholly-owned subsidiary of NWD, the Vendor is also an indirect non-wholly-owned subsidiary of NWD.

The NWD Group is principally engaged in property, infrastructure, hotel operation, department store operation, services, as well as telecommunications and technology businesses.

The NWCL Group is principally engaged in property development, property investment as well as rental and hotel operation in the PRC.

The Guiyang Target

The Guiyang Target is a company incorporated in the British Virgin Islands. The Guiyang Target is an investment holding company and through its subsidiaries holds the interests in the Guiyang Project. The Guiyang Project is located in Guanshan Lake District, Guiyang City, the PRC with a total site area of approximately 2,152,684 sq m for residential, office, commercial and public amenities development. The total developable gross floor area of the Guiyang Project is approximately 4,067,727 sq m, of which construction of approximately 933,658 sq m had been completed, approximately 715,135 sq m was under construction, and the remaining of approximately 2,418,934 sq m was not yet developed as at 30 October 2015.

As at 30 June 2015, the unaudited consolidated total net assets value of the Guiyang Target Group was approximately HK\$4,273,709,000. The consolidated profit before and after tax of the Guiyang Target Group included in the audited consolidated financial statements of NWCL for the financial year ended 30 June 2014 was approximately HK\$9,522,000 and HK\$3,233,000, respectively and the consolidated loss before and after tax of the Guiyang Target Group included in the audited consolidated financial statements of NWCL for the financial year ended 30 June 2015 was approximately HK\$71,995,000 and HK\$115,730,000, respectively.

The Chengdu Target

The Chengdu Target is a company incorporated in the British Virgin Islands and is principally engaged in the holding of 60% equity interest in Chengdu Xinyi, a joint venture enterprise incorporated in the PRC. The remaining 40% equity interest in Chengdu Xinyi is held by two joint venture partners, each an independent third party save and except for their respective interests in Chengdu Xinyi. The principal business of Chengdu Xinyi is the development of the Chengdu Project which comprises residential, commercial, hotel and ancillary developments with a total site area of approximately 950,072 sq m. The total developable gross floor area of the Chengdu Project is approximately 3,040,231 sq m, of which construction of approximately 472,837 sq m had been completed, approximately 574,660 sq m was under construction, and approximately 1,992,734 sq m was not yet developed as of 30 November 2015.

As at 30 June 2015, the unaudited consolidated attributable total net assets value of the Chengdu Target Group was approximately HK\$2,168,086,000. The consolidated attributable profit before and after tax of the Chengdu Target Group included in the audited consolidated financial statements of NWCL for the financial year ended 30 June 2014 was approximately HK\$104,898,420 and HK\$13,236,797, respectively and the consolidated attributable loss before and after tax of the Chengdu Target Group included in the audited consolidated financial statements of NWCL for the financial year ended 30 June 2015 was approximately HK\$11,610,895 and HK\$24,304,363, respectively.

LISTING RULES IMPLICATIONS

As at the date of this joint announcement, the Vendor is a direct wholly-owned subsidiary of NWCL and NWCL is a non-wholly-owned subsidiary of NWD. NWD is interested in the Disposals by virtue of its interest in NWCL and the participating interest in the Guiyang Project and the Chengdu Project under the Participation Agreement. The Disposals constitute notifiable transactions for each of NWCL and NWD.

Given that the Sale and Purchase Agreements and the Previous Sale and Purchase Agreements were entered into by the Vendor with the same party, i.e. the Purchaser, within a 12 month period, the Disposals and the Previous Disposals are aggregated pursuant to Rule 14.22 of the Listing Rules.

As the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of the Disposals and the Previous Disposals (on an aggregated basis) exceeds 25% but is less than 75% for each of NWD and NWCL, the Disposals constitute a major transaction for each of NWD and NWCL that is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

Each of NWD and NWCL will convene a general meeting to seek for approval from NWD Shareholders and NWCL Shareholders, respectively, for the Disposals. As NWD is interested in the Guiyang Project and the Chengdu Project pursuant to the Participation Agreement, NWD and its close associates are required to abstain from voting on the resolutions to be proposed at the general meeting of NWCL for approving the Disposals. Save as disclosed above, as at the date of this joint announcement, each of NWD and NWCL is not aware, having made all reasonable enquiries, that any NWD Shareholder or (as the case may be) any NWCL Shareholder is required to abstain from voting on the resolutions to be proposed at the respective general meetings of NWD and NWCL for approving the Disposals.

A circular containing, among other things, further details of the Disposals, together with a notice convening the general meeting of NWD and (as the case may be) NWCL, will be despatched to the NWD Shareholders and NWCL Shareholders respectively on or before 20 January 2016.

As each of the Guiyang Disposal and the Chengdu Disposal is subject to the fulfillment of various conditions precedent which may or may not be fulfilled, there is no assurance that all or any of the Disposals will be completed. Shareholders and potential investors should exercise caution when dealing in the securities of NWD and NWCL.

DEFINITIONS

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

“affiliates”	a party is an affiliate of another party if it has the ability to control, jointly control or exercise significant influence over the other party in making financial or operation decisions. Parties are also considered to be affiliates if they are subject to common control, joint control or significant influence
“Chengdu Completion”	the completion of the sale and purchase of the Chengdu Sale Share and the Chengdu Subject Loan
“Chengdu Completion Date”	18 February 2016 (or such other date as shall be agreed between the Vendor and the Purchaser)
“Chengdu Conditions Precedent”	the conditions precedent for the Chengdu Disposal specified in the Chengdu SP Agreement
“Chengdu Consideration”	the aggregate consideration for the Chengdu Sale Share and the Chengdu Subject Loan
“Chengdu Disposal”	the disposal of the Chengdu Sale Share and Chengdu Subject Loan by the Vendor to the Purchaser pursuant to the terms and conditions of the Chengdu SP Agreement

“Chengdu Longstop Date”	two months from the date of the Chengdu SP Agreement, ending on 29 February 2016
“Chengdu Project”	the Chengdu New World Riverside project (成都河畔新世界項目) developed by Chengdu Xinyi, further details of which are set out under “Information on the Parties” of this joint announcement
“Chengdu Sale Share”	the one ordinary share in the share capital of Chengdu Target, representing the entire issued share capital of Chengdu Target
“Chengdu SP Agreement”	the sale and purchase agreement dated 29 December 2015 entered into between the Purchaser and the Vendor in relation to the Chengdu Disposal
“Chengdu Subject Loan”	the amount of approximately HK\$1,427,229,000 repayable by the Chengdu Target to the Vendor and its affiliates as at the date of the Chengdu SP Agreement and the Chengdu Completion Date
“Chengdu Target”	Rise Eagle Worldwide Limited (振鷹環球有限公司), a company incorporated in the British Virgin Islands with limited liability, a wholly-owned subsidiary of the Vendor as at the date of the Chengdu SP Agreement
“Chengdu Target Group”	the Chengdu Target and Chengdu Xinyi
“Chengdu Xinyi”	Chengdu Xinyi Real Estate Development Co., Ltd. (成都心怡房地產開發有限公司), an equity joint venture enterprise established under the laws of the PRC which was held as to 60% by the Chengdu Target as at the date of the Chengdu SP Agreement
“close associate(s)”	has the meaning ascribed to it in the Listing Rules
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Consideration Adjustment”	adjustment which may have to be made to the Guiyang Consideration or (as the case may be) the Chengdu Consideration in accordance with the increase or decrease in the attributable net assets value of the Guiyang Target Group or (as the case may be) the Chengdu Target Group, respectively, as at the Guiyang Completion Date and the Chengdu Completion Date, respectively, as compared with

the figures as at 30 November 2015

“Disposals”	all or any of the Guiyang Disposal and the Chengdu Disposal, as the case may be
“Evergrande”	Evergrande Real Estate Group Limited (Stock Code: 3333), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange, being the ultimate holding company of the Purchaser
“Exchange Rate”	the mid-point rate of exchange for RMB into HKD as quoted by Bank of China (Hong Kong) Limited on the day immediately preceding the relevant date of payment
“Guiyang Completion”	the completion of the sale and purchase of the Guiyang Sale Shares and the Guiyang Subject Loan
“Guiyang Completion Date”	18 February 2016 (or such other date as shall be agreed between the Vendor and the Purchaser)
“Guiyang Conditions Precedent”	the conditions precedent for the Guiyang Disposal specified in the Guiyang SP Agreement
“Guiyang Consideration”	the aggregate consideration for the Guiyang Sale Shares and the Guiyang Subject Loan
“Guiyang Disposal”	the disposal of the Guiyang Sale Shares and the Guiyang Subject Loan by the Vendor to the Purchaser pursuant to the terms and conditions of the Guiyang SP Agreement
“Guiyang Longstop Date”	two months from the date of the Guiyang SP Agreement, ending on 29 February 2016
“Guiyang Project”	the Guiyang Jinyang Sunny Town project (貴陽金陽新世界項目) developed by the Guiyang Target Group, further details of which are set out under “Information on the Parties” of this joint announcement
“Guiyang Sale Shares”	the ten thousand ordinary shares in the share capital of Guiyang Target, representing the entire issued share capital of Guiyang Target
“Guiyang SP Agreement”	the sale and purchase agreement dated 29 December 2015 entered into between the Purchaser and the Vendor in

	relation to the Guiyang Disposal
“Guiyang Subject Loan”	the amount of approximately HK\$3,713,186,000 repayable by the Guiyang Target to the Vendor and its affiliates as at the date of the Guiyang SP Agreement and the Guiyang Completion Date
“Guiyang Target”	Triumph Hero International Limited (勝雄國際有限公司), a company incorporated in the British Virgin Islands with limited liability, a wholly-owned subsidiary of the Vendor as at the date of the Guiyang SP Agreement
“Guiyang Target Group”	the Guiyang Target, its subsidiaries and joint venture
“HK\$” or “HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“independent third party(ies)”	a third party independent of and not connected with NWD, NWCL and their connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“NWCL”	New World China Land Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 917)
“NWCL Directors”	the director(s) of NWCL
“NWCL Group”	NWCL and its subsidiaries from time to time
“NWCL Shares”	ordinary shares of HK\$0.10 each in the issued share capital of NWCL
“NWCL Shareholders”	the registered holders of the NWCL Shares
“NWD”	New World Development Company Limited (新世界發展有限公司), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 17), and the holding company of NWCL
“NWD Director(s)”	the director(s) of NWD

“NWD Shares”	ordinary shares in the issued share capital of NWD
“NWD Shareholders”	the registered holders of the NWD Shares
“NWD Group”	NWD and its subsidiaries from time to time
“Participation Agreement”	the participation agreement dated 11 September 2006 entered into between NWCL, Solar Leader Limited (a wholly-owned subsidiary of NWD) and NWD in respect of Solar Leader Limited’s 50% participating interest in NWCL Group’s interest in certain projects (including the Guiyang Project and the Chengdu Project), details of which are set out in the announcement of NWCL dated 11 September 2006 and in the circular of NWCL dated 29 September 2006
“PRC”	the People’s Republic of China, and for the purpose of this joint announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Previous Announcement”	the joint announcement of NWD and NWCL dated 2 December 2015
“Previous Disposals”	the disposals set out in the Previous Announcement and in the circular of NWCL dated 23 December 2015 relating to the disposals of NWCL Group’s interests in the property projects in Wuhan, Huiyang and Haikou, the PRC
“Previous Sale and Purchase Agreements”	the sale and purchase agreements dated 2 December 2015 in relation to the Previous Disposals
“Purchaser”	Shengyu (BVI) Limited, a company incorporated in British Virgin Islands with limited liability, which is an indirect wholly-owned subsidiary of Evergrande
“RMB”	Renminbi, the lawful currency of the PRC
“Sale and Purchase Agreements”	the Guiyang SP Agreement and the Chengdu SP Agreement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning ascribed to it under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)

“Vendor”	New World Development (China) Limited (新世界發展(中國)有限公司), a company incorporated in Hong Kong with limited liability, which holds the entire issued share capital of the Guiyang Target and the Chengdu Target as at the date of the Sale and Purchase Agreements, and a wholly-owned subsidiary of NWCL
“sq m”	square metres
“%”	per cent.

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

By order of the board of
New World China Land Limited
Dr. Cheng Kar-Shun, Henry
Managing Director

Hong Kong, 29 December 2015

As at the date of this joint announcement, (a) the executive directors of NWD are Dr. Cheng Kar-Shun, Henry, Dr. Cheng Chi-Kong, Adrian, Mr. Chen Guanzhan, Ms. Ki Man-Fung, Leonie, Mr. Cheng Chi-Heng, Ms. Cheng Chi-Man, Sonia and Mr. Au Tak-Cheong; (b) the non-executive directors of NWD are Mr. Doo Wai-Hoi, William and Mr. Cheng Kar-Shing, Peter; and (c) the independent non-executive directors of NWD are 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.

As at the date of this joint announcement, the executive directors of NWCL are Dr. Cheng Kar-Shun, Henry, Mr. Cheng Kar-Shing, Peter, Dr. Cheng Chi-Kong, Adrian, Ms. Cheng Chi-Man, Sonia, Mr. Cheng Chi-Him, Conrad, Mr. Fong Shing-Kwong, Michael and Ms. Ngan Man-Ying, Lynda; and the independent non-executive directors of NWCL are Dr. Cheng Wai-Chee, Christopher, Hon. Tien Pei-Chun, James, Mr. Lee Luen-Wai, John and Mr. Ip Yuk-Keung, Albert.

For the purpose of this joint announcement, the following exchange rates have been used: (i) as of 30 June 2014: HK\$1.00 equivalent to RMB0.79; (ii) as of 30 June 2015: HK\$1.00 equivalent to RMB0.8; and (iii) as of the date of this joint announcement: HK\$1.00 equivalent to RMB0.835. Such exchange rates have been used, where applicable, for illustration only and do not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.