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The Offer was made for the securities of a Cayman Islands company and while the Offer was 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 mentioned in this joint announcement have been prepared in accordance with Hong Kong Financial Reporting Standards and thus may not be comparable to financial statements of US companies.



JOINT 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) LEVEL OF ACCEPTANCES ON THE FINAL CLOSING DATE; AND
(2) LAPSE OF VOLUNTARY CONDITIONAL CASH OFFER**

Sole Financial Adviser to the Offeror



UBS AG Hong Kong Branch

LEVEL OF ACCEPTANCES ON THE FINAL CLOSING DATE

As at 4:00 p.m. on the Final Closing Date, the Offeror had received valid acceptances (after taking into account withdrawals of acceptances pursuant to Rule 17 of the Takeovers Code in respect of 10,320,000 Offer Shares) in respect of 392,039,503 Offer Shares under the Offer, representing approximately 83.90% of the Offer Shares, approximately 83.92% of the Disinterested NWDSC Shares and approximately 23.25% of the issued share capital and voting rights of NWDSC as at the date of this announcement.

Of the 392,039,503 Offer Shares validly tendered for acceptances under the Offer:

- (1) 346,427,503 Offer Shares were tendered for acceptances by the Independent NWDSC Shareholders, representing approximately 74.16% of the Disinterested NWDSC Shares and approximately 20.55% of the issued share capital and voting rights of NWDSC as at the date of this announcement;
- (2) 112,000 Offer Shares were tendered for acceptances by the Offeror Concert Parties, representing approximately 0.01% of the issued share capital and voting rights of NWDSC as at the date of this announcement; and
- (3) 45,500,000 Offer Shares were purchased on market and were tendered for acceptances by the Offeror Concert Party as provided for in the Purchase Announcement, representing 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.

11,376,000 Offer Shares were purchased by the Offeror Concert Party, a wholly-owned subsidiary of the Offeror, on market on 28 August 2017, representing approximately 2.43% of the Offer Shares, approximately 0.67% of the issued share capital and voting rights of NWDSC and approximately 2.44% of the Disinterested NWDSC Shares.

As one of the Conditions of the Offer (i.e. valid acceptance of the Offer having been received (and not, where permitted, withdrawn) by 4:00 p.m. on the Closing Date (or such later time or date as the Offeror may decide, subject to the rules of the Takeovers Code) in respect of such number of NWDSC Shares which would result in the Offeror holding at least 90% of the Offer Shares with the further proviso that, within that holding, the Offeror would also hold at least 90% of the Disinterested NWDSC Shares) was not satisfied, the Offer has not become unconditional and is lapsed on 28 August 2017.

Accordingly, the Offeror announces that the Offer is lapsed on 28 August 2017 and there will be no extension or revision of the Offer.

The Offeror will take measures to restore the public float of NWDSC as soon as possible.

INTRODUCTION

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 acceptances on the first closing date (the “**First Closing Announcement**”); (v) the announcement dated 26 July 2017 issued by the Offeror in respect of, amongst other things, the level of acceptances on the date of the announcement (the “**Purchase Announcement**”); (vi) the announcement dated 1 August 2017 jointly issued by the Offeror and NWDSC in respect of, amongst other things, the level of acceptances on the second closing date (the “**Second Closing Announcement**”); and (vii) the announcement dated 15 August 2017 jointly issued by the Offeror and NWDSC in respect of, amongst other things, the level of acceptances on the third closing date (the “**Third Closing Announcement**”).

Unless the context requires otherwise, capitalised terms used in this announcement shall have the same meanings as defined in the Composite Document and all references to time and dates contained in this announcement are to Hong Kong time and dates.

LEVEL OF ACCEPTANCES ON THE FINAL CLOSING DATE

As at 4:00 p.m. on 28 August 2017 (the “**Final Closing Date**”), the Offeror had received valid acceptances (after taking into account withdrawals of acceptances pursuant to Rule 17 of the Takeovers Code in respect of 10,320,000 Offer Shares) in respect of 392,039,503 Offer Shares under the Offer, representing approximately 83.90% of the Offer Shares, approximately 83.92% of the Disinterested NWDSC Shares and approximately 23.25% of the issued share capital and voting rights of NWDSC as at the date of this announcement.

Of the 392,039,503 Offer Shares validly tendered for acceptances under the Offer:

- (1) 346,427,503 Offer Shares were tendered for acceptances by the Independent NWDSC Shareholders, representing approximately 74.16% of the Disinterested NWDSC Shares and approximately 20.55% of the issued share capital and voting rights of NWDSC as at the date of this announcement;
- (2) 112,000 Offer Shares were tendered for acceptances by the Offeror Concert Parties, representing approximately 0.01% of the issued share capital and voting rights of NWDSC as at the date of this announcement; and
- (3) 45,500,000 Offer Shares were purchased on market and were tendered for acceptances by the Offeror Concert Party as provided for in the Purchase Announcement, representing 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.

11,376,000 Offer Shares were purchased by the Offeror Concert Party, a wholly-owned subsidiary of the Offeror, on market on 28 August 2017, representing approximately 2.43% of the Offer Shares, approximately 0.67% of the issued share capital and voting rights of NWDSC and approximately 2.44% of the Disinterested NWDSC Shares.

As one of the Conditions of the Offer (i.e. valid acceptance of the Offer having been received (and not, where permitted, withdrawn) by 4:00 p.m. on the Closing Date (or such later time or date as the Offeror may decide, subject to the rules of the Takeovers Code) in respect of such number of NWDSC Shares which would result in the Offeror holding at least 90% of the Offer

Shares with the further proviso that, within that holding, the Offeror would also hold at least 90% of the Disinterested NWDSC Shares) was not satisfied, the Offer has not become unconditional and is lapsed on 28 August 2017.

Accordingly, the Offeror announces that the Offer is lapsed on 28 August 2017 and there will be no extension or revision of the Offer.

The Offeror will take measures to restore the public float of NWDSC as soon as possible.

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 the date of this announcement.

Save for the acceptances of the Offer described in the paragraph headed “Level of Acceptances on the Final Closing Date” above and the purchase of the NWDSC Shares on market made by the Offeror Concert Party, a wholly-owned subsidiary of the Offeror, on 28 August 2017 and as provided for in the Purchase Announcement, during the Offer Period and up to the date of this announcement, 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 the date of this announcement, save for any borrowed NWDSC Shares which have been either on-lent or sold.

LAPSE OF THE OFFER

The Offer should be conditional upon, amongst other things, valid acceptance of the Offer having been received (and not, where permitted, withdrawn) by 4:00 p.m. on the Closing Date (or such later time or date as the Offeror may decide, subject to the rules of the Takeovers Code) in respect of such number of NWDSC Shares which would result in the Offeror holding at least 90% of the Offer Shares with the further proviso that, within that holding, the Offeror would also hold at least 90% of the Disinterested NWDSC Shares.

In light of the level of acceptances of the Offer as set out in the paragraph headed “Level of Acceptances on the Final Closing Date” above, Condition (i) as set out in the section headed “3. Conditions of the Offer” of the “Letter from UBS” in the Composite Document was not satisfied, the Offer has not become unconditional and is lapsed on 28 August 2017.

As the Offer is lapsed, the Offer Shares tendered for acceptances under the Offer will not be acquired by the Offeror. The NWDSC Offer Shareholders who have tendered their Offer Shares for acceptances will therefore not be entitled to receive any consideration. Share certificate(s) and/or transfer receipt(s) and/or other document(s) of title in respect of the Offer Shares tendered for acceptances under the Offer will be, as soon as possible but in any event within ten (10) days from the date of this announcement (i.e., on or before 7 September 2017), returned to those NWDSC Offer Shareholders who have accepted the Offer by ordinary post at their own risk.

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

By order of the board of directors of
New World Department Store China Limited
(新世界百貨中國有限公司)
Wu Yuk-Kwai, Catherine
Company Secretary

Hong Kong, 28 August 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 (other than that relating to the NWDSC Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the directors of NWDSC) 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.

As at the date hereof, the NWDSC Board comprises (a) two executive directors, namely Dr. Cheng Chi-Kong, Adrian and Mr. Cheung Fai-Yet, Philip; (b) three non-executive directors namely, Dr. Cheng Kar-Shun, Henry, Mr. Au Tak-Cheong and Ms. Ngan Man-Ying, Lynda; and (c) four independent non-executive directors, namely Mr. Cheong Ying-Chew, Henry, Mr. Chan Yiu-Tong, Ivan, Mr. Tong Hang-Chan, Peter and Mr. Yu Chun-Fai.

The directors of NWDSC jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Offeror Group but excluding the NWDSC Group for this purpose) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the directors of the Offeror) 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.