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(Stock Code: 0017)

CONNECTED TRANSACTION – SALE OF A PROPERTY UNIT OF STATE PAVILIA

THE SALE

On 16 January 2025 (after trading hours), the Vendor, an indirect subsidiary of the Company, accepted the Tender, and entered into the Agreement with the Purchaser, pursuant to which the Vendor agreed to sell and the Purchaser agreed to purchase the Property at a consideration of HK\$54,880,000.

LISTING RULES IMPLICATIONS

As at the date of this announcement, the Purchaser is Ms. Huang Shaomei, Echo, an executive Director and the chief executive officer of the Company, and therefore a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the Sale constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratio under Rule 14.07 of the Listing Rules in respect of the Sale is more than 0.1% but less than 5%, the Sale is subject to the reporting and announcement requirements but is exempt from the circular, independent financial advice and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

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THE AGREEMENT

The principal terms of the Agreement are set out below:

Date: 16 January 2025

Parties: (a) the Vendor, an indirect subsidiary of the Company, as vendor; and
(b) Ms. Huang Shaomei, Echo, as purchaser.

The Property: Flat A1 on 33rd Floor at 283 King’s Road (name of the residential redevelopment project: STATE PAVILIA) and a car parking space (B2/F P39) (the “**Property**”).

Details of the Property are disclosed in the section headed “Information on the Property” in this announcement.

Consideration: HK\$54,880,000 (the “**Consideration**”).

Payment manner:

- (i) A deposit of HK\$2,744,000 (representing 5% of the Consideration) shall be paid to the Vendor by the Purchaser upon the date of the Letter of Acceptance; and
- (ii) the remaining amount of HK\$52,136,000 (representing 95% of the Consideration) shall be paid to the Vendor by the Purchaser within 14 days after the date of the Vendor’s written notification to the Purchaser that the Vendor is in a position to validly assign the Property to the Purchaser.

Cash rebate in case of early completion: Provided that (i) the Purchaser completes the sale and purchase of the Property and fully pays and settles the Consideration on a date earlier than the completion date and the due date(s) of payment as specified in the Agreement and the subsequent formal agreement for sale and purchase of the Property as set out below; and (ii) the Purchaser serves a written notice to the Vendor in person in the designated form at least 30 days before the actual completion date and full payment of the Consideration, the Purchaser shall be entitled to a cash rebate payable by the Vendor in the amount and manner as set out below:

Date of completion of the sale and purchase of the Property	Amount of cash rebate
Within 90 days after the date of the Letter of Acceptance	10% of the Consideration
Within 120 days after the date of the Letter of Acceptance	7% of the Consideration
Within 300 days after the date of the Letter of Acceptance	5% of the Consideration
Within 480 days after the date of the Letter of Acceptance	3% of the Consideration

HKGTA Town Club Patronship Benefit: A three-year patronship benefit at the HKGTA Town Club of approximately HK\$248,880 shall be provided by The Town Club (HK) Limited to the Purchaser, which will commence on the first day of the next calendar month after redemption by the Purchaser and approval from the HKGTA Town Club in accordance with the terms and conditions of the Tender. If the Sale is not completed, the Vendor and HKGTA Town Club shall have the right to revoke the patronship benefit provided to the Purchaser and recover all the losses and damages as may be incurred or suffered by the Vendor and HKGTA Town Club as a result thereof.

Information on the Property

The Vendor is a subsidiary of the Company, which engages in a residential redevelopment project, which is named STATE PAVILIA and situated at State Pavilia, 283 King's Road, North Point, Hong Kong (the "Project"). The Property is a new residential unit with a total saleable area of 1,522 square feet with a car parking space (B2/F P39) under the Project. As at 15 January 2025, 21 residential units and 49 car parking spaces were available for pre-sale by way of tender. As at the date of this announcement, the Project is still under construction.

On 15 January 2025, being the closing date of the tender for the Property, Ms. Huang Shaomei, Echo submitted the Tender, which was accepted by the Vendor on 16 January 2025.

Completion

Completion shall take place according to the terms and conditions under the formal sale and purchase agreement to be entered by the Vendor and the Purchaser in accordance with the terms and conditions under the Agreement.

Basis of determination of the Consideration

The Property was sold under pre-sale by the Tender in the ordinary and usual course of business of the Group. According to the best knowledge of the Directors after due and careful enquiry, the Purchaser submitted the Tender based on the information in relation to the tender of the Property and the relevant tender rules, which were published by the Vendor publicly online. No information relating to the tender that was not available to the general public were provided to the Purchaser on or before the Tender was submitted to the Vendor.

The Vendor accepted the Tender after considering various factors, including but not limited to, the current property market of luxury properties in Hong Kong, the market price and average price per square foot of similar properties near the Property, the orientation and view of the Property, and the bidding prices of other accepted tenders of other properties of the Project.

FINANCIAL IMPACT OF THE SALE AND USE OF PROCEEDS

As at the date of this announcement, the Company cannot ascertain the financial impact of the Sale because (i) the Project and the Property were still under construction and additional expenses will be incurred as the Project continues to advance; and (ii) the Purchaser may later be eligible for the cash rebate as disclosed in the section headed "Agreement" in this announcement. All the aforementioned factors will in turn lead to changes in the calculation of the expected financial impact of the Sale. The Company will provide further updates on the financial impact of the Sale as soon as reasonably practicable after the Company has received further information, including a more updated construction cost of the Project.

The net proceeds from the Sale are intended to supplement the general working capital of the Group.

GENERAL INFORMATION OF THE PARTIES

The Company is a company incorporated in Hong Kong with limited liability and whose issued Shares are listed on the main board of the Stock Exchange. The Group is principally engaged in property development, property investment, and investment in and/or operation of hotels and other strategic businesses.

The Purchaser is Ms. Huang Shaomei, Echo, an executive Director and the chief executive officer of the Company.

REASONS FOR AND BENEFITS OF THE SALE

The Group is principally engaged in property development, property investment, and investment in and/or operation of hotels and other strategic businesses. The Project, STATE PAVILIA, is to be developed into 388 residential units and 91 car parking spaces and, as at the date of this Announcement, the Project was still under construction. As at 15 January 2025, 21 residential units and 49 car parking spaces were available for pre-sale by way of tender and tenders for six other residential units and nine other car parking spaces under the Project were accepted by the Vendor. The Board is of the view that the Sale represents a good opportunity for the Group to realise the value of its land reserve and/or properties held by it, generate additional working capital and strengthen the Group's liquidity and financial position.

The Directors (including the independent non-executive Directors) are of the view that the terms of Agreement are fair and reasonable, on normal commercial terms or better and in the ordinary and usual course of business of the Company, and are in the interests of the Company and the Shareholders as a whole.

Ms. Huang Shaomei, Echo, an executive Director and the chief executive officer of the Company has material interests in the Agreement, did not attend the Board meeting approving the Sale and therefore did not vote on the relevant Board resolutions. Save as disclosed above, none of the Directors has any material interests in the Sale and hence no other Director has abstained from voting on such Board resolutions.

LISTING RULES IMPLICATIONS

As at the date of this announcement, the Purchaser is Ms. Huang Shaomei, Echo, an executive director and the chief executive officer of the Company, and hence a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the Sale constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratio under Rule 14.07 of the Listing Rules in respect of the Sale is more than 0.1% but less than 5%, the Sale is subject to the reporting and announcement requirements but is exempt from the circular, independent financial advice and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

DEFINITIONS

“Agreement”	the tender document submitted by the Purchaser on 15 January 2025 and the Letter of Acceptance in relation to the Transaction
“associate(s)”	has the same meaning ascribed to it under the Listing Rules
“Board”	board of Directors
“Company”	New World Development Company Limited (新世界發展有限公司), a company incorporated in Hong Kong with limited liability and whose issued Shares are listed on the main board of the Stock Exchange
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Completion”	completion of the Transaction pursuant to Agreement and the subsequent formal agreement for sale and purchase of the Property to be entered into between the Vendor and the Purchaser
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Letter of Acceptance”	a letter dated 16 January 2025 and issued by the Vendor to the Purchaser to indicate the Vendor’s acceptance to the Tender
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Purchaser”	Ms. Huang Shaomei, Echo, an executive director and the chief executive officer of the Company
“Sale”	the sale of the Property by the Company pursuant to the Agreement
“Share(s)”	share(s) of the Company
“Shareholder(s)”	registered holder(s) of the Share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tender”	the form of tender (with the tender notice, the conditions of the tender sale and the annexes attached thereto) submitted by the Purchaser to the Vendor for the purchase of the Property

“Transaction”	the sale of the Property by the Vendor to the Purchaser
“Vendor”	Orient Sea Investments Limited, a company incorporated in Hong Kong with limited liability and an indirect subsidiary of the Company
“%”	per cent

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

Hong Kong, 16 January 2025

As at the date of this announcement, the Board of the Company comprises (a) seven executive directors, namely Dr. Cheng Kar-Shun, Henry, Ms. Huang Shaomei, Echo, Ms. Cheng Chi-Man, Sonia, Mr. Sitt Nam-Hoi, Ms. Chiu Wai-Han, Jenny, Mr. Ho Gilbert Chi-Hang and Mr. Lau Fu-Keung; (b) five non-executive directors, namely, Mr. Doo Wai-Hoi, William, Dr. Cheng Chi-Kong, Adrian, Mr. Cheng Kar-Shing, Peter, Mr. Cheng Chi-Heng and Mr. Cheng Chi-Ming, Brian; and (c) 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.