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**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this document or as to the action you should take, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold** all your shares in **NEW WORLD DEVELOPMENT COMPANY LIMITED** (新世界發展有限公司), you should at once hand this document and the accompanying proxy form to the purchaser or to the bank, the licensed securities dealer or other agent through whom the sale was effected for transmission to the purchaser.

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**PROPOSALS INVOLVING  
GENERAL MANDATES TO BUY BACK SHARES  
AND TO ISSUE SHARES,  
MANDATE TO GRANT OPTIONS  
AND RE-ELECTION OF RETIRING DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening an annual general meeting of New World Development Company Limited (新世界發展有限公司) (the “Company”) to be held at Meeting Room N101 (Expo Drive Entrance) Hong Kong Convention and Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong on Tuesday, 19 November 2019, at 11:45 a.m. is set out on pages 16 to 21 of this document. Whether or not you are able to attend the meeting, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the Company’s share registrar, Tricor Tengis Limited, Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof (as the case may be). Completion and return of a proxy form will not preclude shareholders from attending and voting at the annual general meeting if they so wish.

21 October 2019

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## DEFINITIONS

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*In this document, the following expressions have the following meanings unless the context requires otherwise:*

“Annual General Meeting”	the annual general meeting of the Company to be held at Meeting Room N101 (Expo Drive Entrance) Hong Kong Convention and Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong on Tuesday, 19 November 2019 at 11:45 a.m., notice of which is set out on pages 16 to 21 of this document
“Articles of Association”	the articles of association of the Company as altered from time to time
“Board”	the board of Directors
“Buy-back Proposal”	the proposal to give a general mandate to the Directors to exercise the powers of the Company to buy back during the period as set out in the Buy-back Resolution Shares up to a maximum of 10% of the issued Shares of the Company as at the date of the Buy-back Resolution
“Buy-back Resolution”	the proposed ordinary resolution as referred to in resolution no.5 of the notice of the Annual General Meeting
“Companies Ordinance”	Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Company”	New World Development Company Limited (新世界發展有限公司), a company incorporated in Hong Kong with limited liability under the Companies Ordinance, the Shares of which are listed on the Stock Exchange
“core connected person”	has the meaning ascribed to it in the Listing Rules
“Directors”	directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of The People’s Republic of China
“Latest Practicable Date”	11 October 2019, being the latest practicable date prior to the printing of this document for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time

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## DEFINITIONS

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“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of the Company
“Share Buy-back Rules”	the relevant rules set out in the Listing Rules to regulate the buy-back by companies with primary listing on the Stock Exchange of their own securities on the Stock Exchange
“Share Option Scheme”	the share option scheme adopted by the Company on 22 November 2016
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers as amended from time to time



新世界發展有限公司

New World Development Company Limited

(incorporated in Hong Kong with limited liability)

(Stock Code: 0017)

**Directors:**

*Executive Directors:*

Dr. Cheng Kar-Shun, Henry, *GBM GBS*  
(Chairman)

Dr. Cheng Chi-Kong, Adrian, *JP*  
(Executive Vice-chairman and General Manager)

Mr. Cheng Chi-Heng

Ms. Cheng Chi-Man, Sonia

Mr. Au Tak-Cheong

Mr. Sitt Nam-Hoi

Mr. So Chung-Keung, Alfred

*Non-executive Directors:*

Mr. Doo Wai-Hoi, William, *JP*  
(Non-executive Vice-chairman)

Mr. Cheng Kar-Shing, Peter

Ms. Ki Man-Fung, Leonie, *GBS SBS JP*

*Independent Non-executive Directors:*

Mr. Yeung Ping-Leung, Howard

Mr. Cha Mou-Sing, Payson, *JP*

(Alternate Director to Mr. Cha Mou-Sing, Payson:  
Mr. Cha Mou-Zing, Victor)

Mr. Ho Hau-Hay, Hamilton

Mr. Lee Luen-Wai, John, *BBS JP*

Mr. Liang Cheung-Biu, Thomas

Mr. Ip Yuk-Keung

**Registered Office:**

30th Floor,  
New World Tower,  
16-18 Queen's Road Central,  
Hong Kong.

21 October 2019

*To the shareholders and, for information purposes only,  
the holders of the outstanding share options of the Company*

Dear Sir or Madam,

**PROPOSALS INVOLVING  
GENERAL MANDATES TO BUY BACK SHARES  
AND TO ISSUE SHARES,  
MANDATE TO GRANT OPTIONS  
AND RE-ELECTION OF RETIRING DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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## LETTER FROM THE CHAIRMAN

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### 1. INTRODUCTION

The purpose of this document is to provide you with information, and to seek your approval for the proposals involving general mandates to allot, issue and deal with Shares and to buy back Shares, mandate to grant options under the Share Option Scheme and re-election of retiring Directors at the Annual General Meeting.

### 2. GENERAL MANDATE TO BUY BACK SHARES

At the annual general meeting of the Company held on 20 November 2018, a general mandate was given to the Directors to exercise the powers of the Company to buy back Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. The Directors propose to seek your approval of the Buy-back Resolution to be proposed at the Annual General Meeting. An explanatory statement as required under the Share Buy-back Rules to provide the requisite information of the Buy-back Proposal is set out in Appendix I hereto.

### 3. GENERAL MANDATE TO ISSUE SHARES

The Company is committed to balancing the potential need for capital while ensuring that Shareholders are not subject to excessive dilution. As a step in towards this objective, taking into consideration of the potential excessive dilution effect, the Board has decided to propose at the Annual General Meeting an ordinary resolution granting to the Directors a general mandate to allot, issue and deal with Shares not exceeding 10% (instead of 20% as permitted under the Listing Rules) of the issued Shares of the Company at the date of the resolution at a discount of not more than 15% (instead of 20% as permitted under the Listing Rules) to the “benchmarked price” (as described in Rules 13.36(5) of the Listing Rules). The Board also decided not to propose the extension of the mandate to issue Shares by the addition thereto the Shares bought back under the Buy-back Proposal at the Annual General Meeting. While the above mandate provides the Company the requisite flexibility to raise additional capital if needed, the decision to reduce the number and the discount of issue price of Shares under the general mandate and not extend the mandate to issue Shares will significantly reduce potential for dilution for existing Shareholders.

### 4. MANDATE TO GRANT OPTIONS

The Company has a Share Option Scheme which was approved by the Shareholders on 22 November 2016 under which the Directors may grant to any participants of the Share Option Scheme options to subscribe for Shares, subject to the terms and conditions stipulated therein. As at the Latest Practicable Date, the total number of options available for grant under the Share Option Scheme was 808,492,647, representing rights to subscribe for 808,492,647 Shares, amounting to approximately 7.91% of the total number of issued Shares as at the Latest Practicable Date.

Under section 140 of the Companies Ordinance, the directors of a company must not, without shareholders’ prior approval in general meeting, allot new shares or grant rights to subscribe for, or to convert any security into shares of the company. At the annual general meeting of the Company held on 20 November 2018, an unconditional mandate was given

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## LETTER FROM THE CHAIRMAN

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to the Directors to grant share options under the Share Option Scheme. As such mandate will expire on conclusion of the Annual General Meeting, an ordinary resolution will also be proposed at the Annual General Meeting to grant to the Directors an unconditional mandate to grant share options under the Share Option Scheme.

### 5. RE-ELECTION OF THE RETIRING DIRECTORS

Pursuant to Article 103(A) of the Articles of Association, Dr. Cheng Chi-Kong Adrian, Mr. Yeung Ping-Leung, Howard, Mr. Ho Hau-Hay, Hamilton, Mr. Lee Luen-Wai, John, Mr. Cheng Chi-Heng and Mr. Au Tak-Cheong shall retire from office and being eligible, offer themselves for re-election at the Annual General Meeting.

The nomination committee of the Company had assessed and reviewed the annual written confirmation of independence of each of Mr. Yeung Ping-Leung, Howard, Mr. Ho Hau-Hay, Hamilton and Mr. Lee Luen-Wai, John for the year ended 30 June 2019 and considered that they satisfied all the independence criteria as set out in Rule 3.13 of the Listing Rules.

As Mr. Yeung Ping-Leung, Howard, Mr. Ho Hau-Hay, Hamilton and Mr. Lee Luen-Wai, John have served more than 9 years, their re-election will be subject to separate resolution to be approved by the Shareholders. As Independent Non-executive Directors with in-depth understanding of the Company's operations and business, they have expressed objective views and given independent guidance to the Company over the years, and they continue demonstrating a firm commitment to their role. The nomination committee considers that the long service of Mr. Yeung Ping-Leung, Howard, Mr. Ho Hau-Hay, Hamilton and Mr. Lee Luen-Wai, John would not affect their exercise of independent judgment and is satisfied that they have the required character, integrity and experience to continue fulfilling the role of Independent Non-executive Directors.

The nomination committee is of the view that Mr. Yeung Ping-Leung, Howard, Mr. Ho Hau-Hay, Hamilton and Mr. Lee Luen-Wai, John are beneficial to the Board with diversity of their comprehensive business experience that contributes to invaluable expertise, continuity and stability to the Board and the Company has benefited greatly from their contribution and valuable insights derived from their in-depth knowledge of the Company. The nomination committee believes that they will continue to contribute effectively to the Board.

Having regard to the Board's diversity policy and the nomination policy adopted by the Company, the nomination committee recommended re-election of the aforesaid retiring Directors to the Board. Accordingly, the Board has proposed that each of the above retiring Directors, namely Dr. Cheng Chi-Kong Adrian, Mr. Yeung Ping-Leung, Howard, Mr. Ho Hau-Hay, Hamilton, Mr. Lee Luen-Wai, John, Mr. Cheng Chi-Heng and Mr. Au Tak-Cheong, stands for re-election as Director by way of separate resolution at the Annual General Meeting.

Details of the retiring Directors proposed to be re-elected at the Annual General Meeting are set out in Appendix II hereto.

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## LETTER FROM THE CHAIRMAN

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### 6. ANNUAL GENERAL MEETING

Set out on pages 16 to 21 of this document is the notice convening the Annual General Meeting to be held at Meeting Room N101 (Expo Drive Entrance) of Hong Kong Convention and Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong on Tuesday, 19 November 2019 at 11:45 a.m.

At the Annual General Meeting, resolutions will be proposed to the Shareholders in respect of ordinary businesses to be considered at the Annual General Meeting, including the re-election of the retiring Directors, and special businesses to be considered at the Annual General Meeting, being the ordinary resolutions proposed to approve the general mandates to buy back Shares and to issue new Shares and the mandate to grant options under the Share Option Scheme.

### 7. ACTION TO BE TAKEN

A proxy form for use at the Annual General Meeting is enclosed herewith. Whether or not you intend to attend the Annual General Meeting, you are requested to complete the proxy form and return it to the Company's share registrar, Tricor Tengis Limited, Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof (as the case may be). Completion and return of a proxy form will not prevent Shareholders from attending and voting at the Annual General Meeting if they so wish.

### 8. VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, all votes at the Annual General Meeting will be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

### 9. RECOMMENDATION

The Directors believe that the Buy-back Proposal, the proposed general mandate for Directors to issue new Shares, the proposed mandate to grant options under the Share Option Scheme and the proposed re-election of the retiring Directors are all in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend that all Shareholders should vote in favour of all the resolutions to be proposed at the Annual General Meeting.

Yours faithfully,  
For and on behalf of  
**New World Development Company Limited**  
(新世界發展有限公司)  
**Dr. Cheng Kar-Shun, Henry**  
*Chairman*



This appendix serves as an explanatory statement required under Rule 10.06(1)(b) of the Listing Rules to provide you with the information necessary for your consideration of the Buy-back Proposal.

This appendix also constitutes the memorandum required under Section 239(2) of the Companies Ordinance.

### **1. ISSUED SHARES**

As at the Latest Practicable Date, the issued Shares of the Company comprised 10,226,391,055 Shares.

Subject to the passing of the Buy-back Resolution and on the basis that no further Shares are issued or bought back and/or cancelled prior to the Annual General Meeting, the Company would be allowed under the Buy-back Resolution to buy back a maximum of 1,022,639,105 Shares representing not more than 10% of the issued Shares of the Company at the Latest Practicable Date

### **2. REASONS FOR BUY-BACK**

The Directors believe that the Buy-back Proposal is in the best interests of the Company and its Shareholders. Such buy-back may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or earnings per Share of the Company and will only be made when the Directors believe that such a buy-back will benefit the Company and its Shareholders.

### **3. FUNDING OF BUY-BACK**

In buy-back of any Shares, the Company may only apply funds legally available for such purpose in accordance with its Articles of Association and the Companies Ordinance. The Companies Ordinance provides that the payment in respect of a Share buy-back may be made out of the distributable profits of the Company and/or proceeds of a new issue of Shares made for the purpose of the buy-back.

There might be an adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited accounts contained in the annual report for the year ended 30 June 2019 in the event that the power to buy back Shares pursuant to the Buy-back Proposal was to be carried out in full at any time during the proposed buy-back period. However, the Directors do not propose to exercise the power to buy-back Shares pursuant to the Buy-back Proposal to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

#### 4. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange in each of the previous twelve months before the Latest Practicable Date are as follows:

	Shares	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
October 2018	10.98	9.81
November 2018	10.80	9.90
December 2018	10.96	9.99
January 2019	12.30	10.02
February 2019	13.40	12.10
March 2019	13.20	12.06
April 2019	13.88	12.92
May 2019	13.24	11.42
June 2019	12.54	11.26
July 2019	12.96	11.00
August 2019	11.08	8.90
September 2019	10.74	9.51
October 2019 (up to the Latest Practicable Date)	10.68	9.95

#### 5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make buy-backs pursuant to the Buy-back Resolution and in accordance with the Listing Rules and the applicable laws of Hong Kong.

None of the Directors nor, to the best of their knowledge and belief having made all reasonable enquiries, their close associates, have any present intention to sell any Shares to the Company under the Buy-back Proposal if such is approved by the Shareholders.

No other core connected persons of the Company (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Buy-back Proposal is approved by the Shareholders.

#### 6. TAKEOVERS CODE

If on the exercise of the power to buy back Shares pursuant to the Buy-back Proposal, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, each of Cheng Yu Tung Family (Holdings) Limited and Cheng Yu Tung Family (Holdings II) Limited, indirectly through its subsidiaries, is deemed to have interest in 4,535,634,444 Shares representing approximately 44.35% of the issued Shares of the Company. In the event the Directors exercised in full the power to buy back Shares pursuant to the Buy-back Proposal, then (if the present shareholding remains the same) the deemed interest of each of Cheng Yu Tung Family (Holdings) Limited and Cheng Yu Tung Family (Holdings II) Limited would be increased to approximately 49.28% of the issued Shares of the Company.

In the event that the Buy-back Proposal is exercised in full, an obligation to make a general offer to Shareholders under Rules 26 and 32 of the Takeovers Code may arise. The Directors have no present intention to exercise the power to buy back Shares pursuant to the Buy-back Proposal to such an extent as to result in takeover obligations. In the event that the Buy-back Proposal is exercised in full, the number of Shares held by the public would not fall below 25%.

## 7. SHARE BUY-BACKS MADE BY THE COMPANY

The Company bought back a total of 6,302,000 Shares on the Stock Exchange during the six months immediately preceding the Latest Practicable Date, details of which are as follows:

Date of buy-back	No. of Shares bought back	Price paid per Share	
		Highest HK\$	Lowest HK\$
03/01/2019	1,000,000	10.28	10.16
04/01/2019	308,000	10.56	10.26
29/05/2019	254,000	12.00	12.00
30/05/2019	1,000,000	11.92	11.70
31/05/2019	1,500,000	11.64	11.44
12/06/2019	1,000,000	11.80	11.62
13/06/2019	240,000	11.40	11.26
14/06/2019	<u>1,000,000</u>	11.50	11.42
Total:	<u><u>6,302,000</u></u>		

Save as disclosed above, the Company had not bought back any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

**Dr. Cheng Chi-Kong, Adrian JP**

Aged 39, was appointed as an Executive Director in March 2007, became Executive Director and Joint General Manager from March 2012, re-designated as Executive Vice-chairman and Joint General Manager from April 2015 and re-designated as Executive Vice-chairman and General Manager from March 2017. Dr. Adrian Cheng is a member of the Executive Committee and the chairman of the Sustainability Committee of the Board. Dr. Cheng is an executive director of NWS Holdings Limited, New World Department Store China Limited and Chow Tai Fook Jewellery Group Limited, and a non-executive director of Giordano International Limited and New Century Healthcare Holding Co. Limited, all being listed public companies in Hong Kong. He was an executive director of International Entertainment Corporation, a non-executive vice chairman of Modern Media Holdings Limited and a non-executive director of i-CABLE Communications Limited, all being listed public companies in Hong Kong, up to his resignation on 10 June 2017, 26 August 2017 and 2 July 2019 respectively. Dr. Cheng is also the chairman of New World Group Charity Foundation Limited, an executive director of New World China Land Limited and a director of certain subsidiaries of the Group. Except as disclosed, Dr. Cheng did not hold directorship in other listed public companies in the past three years or any position with the Company or other members of the Group.

Dr. Cheng oversees the strategic direction for the Company's property development and investment activities. He has launched New World's The Artisanal Movement since January 2015, and is currently overseeing the Company's large-scale developments including Victoria Dockside and Skycity. In 2008, Dr. Cheng launched the K11 brand, a museum-retail complex that is at the nexus of art and commerce and has since extended K11's reach across retail, hospitality, offices and non-profit art education through K11 Art Foundation. He also directs early-stage funding to start-ups and technology-driven platforms.

Dr. Cheng is the vice-chairman of All-China Youth Federation, a member of the Tianjin Municipal Committee of The Chinese People's Political Consultative Conference, the chairman of China Young Leaders Foundation and the honorary chairman of K11 Art Foundation. He was acknowledged by Fortune as one of "40 Under 40" global business stars and a "Young Global Leader" by the World Economic Forum in 2012. In 2016, he was appointed as the Justice of Peace by the Government of the Hong Kong Special Administrative Region and was made an Officier in the Ordre des Arts et des Lettres by the French Government in 2017. Dr. Cheng holds a Bachelor of Arts Degree (*cum laude*) from Harvard University, and was conferred the Honorary Doctorate of Humanities by the Savannah College of Art and Design in 2014. Dr. Cheng worked in a major international bank prior to joining the Group in September 2006 and has substantial experience in corporate finance.

Dr. Cheng entered into a letter of appointment with the Company for a further fixed term of three years commencing from 16 March 2018, subject to retirement by rotation in accordance with the Articles of Association. His emoluments comprise a Director's fee to be reviewed and determined by the Board annually with the authorisation granted by the

Shareholders at an annual general meeting of the Company and with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market condition. For the financial year ended 30 June 2019, his emoluments comprise Director's fee and allowance of HK\$406,600 from the Company and other emoluments of HK\$39,521,000 from the Group.

Dr. Cheng is a director of Chow Tai Fook (Holding) Limited and Chow Tai Fook Enterprises Limited, both are substantial shareholders of the Company. He is the son of Dr. Cheng Kar-Shun, Henry, the brother of Ms. Cheng Chi-Man, Sonia, the nephew of Mr. Doo Wai-Hoi, William and Mr. Cheng Kar-Shing, Peter, and the cousin of Mr. Cheng Chi-Heng. Except as disclosed, Dr. Cheng does not have any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, Dr. Cheng has personal interest in 700,000 Shares and 9,536,471 underlying Shares attached to the share options granted by the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Dr. Cheng is not aware of any other matters or information that need to be brought to the attention of the Shareholders or to be disclosed pursuant to any of the requirements set out in Rules 13.51(2)(h) to (v) of the Listing Rules in connection with his re-election.

**Mr. Yeung Ping-Leung, Howard**

Aged 62, was appointed as Director in November 1985. Mr. Yeung is a member of the Audit Committee and the Remuneration Committee of the Board. He is also an independent non-executive director of Miramar Hotel and Investment Company, Limited, a listed public company in Hong Kong. Except as disclosed, Mr. Yeung did not hold directorship in other listed public companies in the past three years or any position with the Company or other members of the Group.

Mr. Yeung entered into a letter of appointment with the Company for a further fixed term of three years commencing from 16 March 2018, subject to retirement by rotation in accordance with the Articles of Association. His emoluments comprise a Director's fee to be reviewed and determined by the Board annually with the authorisation granted by the Shareholders at an annual general meeting of the Company and with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market condition. For the financial year ended 30 June 2019, his emoluments comprise Director's fee and allowance of HK\$641,800 from the Company.

Mr. Yeung does not have any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, Mr. Yeung has personal interest in 633,779 underlying Shares attached to the share options granted by the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Yeung is not aware of any other matters or information that need to be brought to the attention of the Shareholders or to be disclosed pursuant to any of the requirements set out in Rules 13.51(2)(h) to (v) of the Listing Rules in connection with his re-election.

**Mr. Ho Hau-Hay, Hamilton**

Aged 68, was appointed as a Non-executive Director in August 2004 and was re-designated as Independent Non-executive Director in November 2007. Mr. Ho was an Alternate Director of the Company from 7 January 2004 to 29 August 2004. Mr. Ho is the chairman of the Remuneration Committee and a member of the Audit Committee of the Board. He is also an independent non-executive director of King Fook Holdings Limited (a listed public company in Hong Kong), and an executive director of Honorway Investments Limited and Tak Hung (Holding) Company Limited. Except as disclosed, Mr. Ho did not hold directorship in other listed public companies in the past three years or any position with the Company or other members of the Group.

Mr. Ho entered into a letter of appointment with the Company for a further fixed term of three years commencing from 16 March 2018, subject to retirement by rotation in accordance with the Articles of Association. His emoluments comprise a Director's fee to be reviewed and determined by the Board annually with the authorisation granted by the Shareholders at an annual general meeting of the Company and with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market condition. For the financial year ended 30 June 2019, his emoluments comprise Director's fee and allowance of HK\$740,800 from the Company.

Mr. Ho does not have any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, Mr. Ho has corporate interest in 878,353 Shares and personal interest in 433,779 underlying Shares attached to the share options granted by the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Ho is not aware of any other matters or information that need to be brought to the attention of the Shareholders or to be disclosed pursuant to any of the requirements set out in Rules 13.51(2)(h) to (v) of the Listing Rules in connection with his re-election.

**Mr. Lee Luen-Wai, John *BBS, JP***

Aged 70, was appointed as an Independent Non-executive Director in August 2004. Mr. Lee is the chairman of the Audit Committee, and a member of the Remuneration Committee and the Nomination Committee of the Board. Mr. Lee is the managing director and chief executive officer of Lippo Limited, an executive director and the chief executive officer of Lippo China Resources Limited and Hongkong Chinese Limited, as well as an independent non-executive director of UMP Healthcare Holdings Limited, all being listed public companies in Hong Kong. Mr. Lee was a non-executive non-independent chairman of Healthway Medical Corporation Limited, a company listed on the sponsor-supervised

listing platform of the Singapore Exchange Securities Trading Limited, up until his retirement on 26 April 2019. Except as disclosed, Mr. Lee did not hold directorship in other listed public companies in the past three years or any position with the Company or other members of the Group.

Mr. Lee is a Fellow of The Institute of Chartered Accountants in England and Wales, the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. He was a partner of Price Waterhouse (now PricewaterhouseCoopers) in Hong Kong and has extensive experience in corporate finance and capital markets. Mr. Lee is an Honorary Fellow of the City University of Hong Kong and a Justice of Peace in Hong Kong. He serves as a member on a number of Public Boards and Committees including the Chairman of the Investment Committee of the Hospital Authority Provident Fund Scheme, a member of the Public Service Commission and the Chairman of the Hospital Governing Committee of Hong Kong Children's Hospital.

Mr. Lee entered into a letter of appointment with the Company for a further fixed term of three years commencing from 16 March 2018, subject to retirement by rotation in accordance with the Articles of Association. His emoluments comprise a Director's fee to be reviewed and determined by the Board annually with the authorisation granted by the Shareholders at an annual general meeting of the Company and with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market condition. For the financial year ended 30 June 2019, his emoluments comprise Director's fee and allowance of HK\$835,400 from the Company.

Mr. Lee does not have any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, Mr. Lee has personal interest in 633,779 underlying Shares attached to the share options granted by the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Lee is not aware of any other matters or information that need to be brought to the attention of the Shareholders or to be disclosed pursuant to any of the requirements set out in Rules 13.51(2)(h) to (v) of the Listing Rules in connection with his re-election.

### **Mr. Cheng Chi-Heng**

Aged 41, was appointed as an Executive Director in June 2010. Mr. Cheng is a member of the Executive Committee of the Board. He also acts as director of certain subsidiaries of the Group. Mr. Cheng is an executive director of Chow Tai Fook Jewellery Group Limited, a listed public company in Hong Kong. Except as disclosed, Mr. Cheng did not hold directorship in other listed public companies in the past three years or any position with the Company or other members of the Group.

Mr. Cheng worked in Yu Ming Investment Management Limited from 1999 to 2000 as a corporate finance executive. He obtained his Bachelor of Arts Degree majoring in Economics from the University of Western Ontario, Canada in 1999.

Mr. Cheng entered into a letter of appointment with the Company for a further fixed term of three years commencing from 16 March 2018, subject to retirement by rotation in accordance with the Articles of Association. His emoluments comprise a Director's fee to be reviewed and determined by the Board annually with the authorisation granted by the Shareholders at an annual general meeting of the Company and with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market condition. For the financial year ended 30 June 2019, his emoluments comprise Director's fee and allowance of HK\$389,000 and other emoluments of HK\$2,187,100 from the Company.

Mr. Cheng is a director of Chow Tai Fook (Holding) Limited and Chow Tai Fook Enterprises Limited, both are substantial shareholders of the Company. He is the son of Mr. Cheng Kar-Shing, Peter, the nephew of Dr. Cheng Kar-Shun, Henry and Mr. Doo Wai-Hoi, William, and the cousin of Dr. Cheng Chi-Kong, Adrian and Ms. Cheng Chi-Man, Sonia. Except as disclosed, Mr. Cheng does not have any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, Mr. Cheng has personal interest in 633,779 underlying Shares attached to the share options granted by the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Cheng is not aware of any other matters or information that need to be brought to the attention of the Shareholders or to be disclosed pursuant to any of the requirements set out in Rules 13.51(2)(h) to (v) of the Listing Rules in connection with his re-election.

#### **Mr. Au Tak-Cheong**

Aged 67, was appointed as an Executive Director in July 2013. Mr. Au is a member of the Executive Committee of the Board. Mr. Au joined the Company in 1975. He is currently the Head of the Finance and Accounts and senior management of the Company and is responsible for overseeing compliance of policy and procedures in relation to accounting matters of the Group. Mr. Au possesses over 40 years of experience in finance and accounting and treasury. He is also a non-executive director of New World Department Store China Limited, a listed public company in Hong Kong, and a director of certain subsidiaries of the Group. Except as disclosed, Mr. Au did not hold directorship in other listed public companies in the past three years or any position with the Company or other members of the Group.

Mr. Au entered into a letter of appointment with the Company for a further fixed term of three years commencing from 1 July 2019, subject to retirement by rotation in accordance with the Articles of Association. His emoluments comprise a Director's fee to be reviewed and determined by the Board annually with the authorisation granted by the Shareholders at an annual general meeting of the Company and with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market



condition. For the financial year ended 30 June 2019, his emoluments comprise Director's fee and allowance of HK\$477,000 from the Company and other emoluments of HK\$8,708,100 from the Group.

Mr. Au does not have any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, Mr. Au has personal interest in 536,693 underlying Shares attached to the share options granted by the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Au is not aware of any other matters or information that need to be brought to the attention of the Shareholders or to be disclosed pursuant to any of the requirements set out in Rules 13.51(2)(h) to (v) of the Listing Rules in connection with his re-election.



新世界發展有限公司

New World Development Company Limited

(incorporated in Hong Kong with limited liability)

(Stock Code: 0017)

**NOTICE IS HEREBY GIVEN** that an Annual General Meeting of New World Development Company Limited (新世界發展有限公司) (the “Company”) will be held at Meeting Room N101 (Expo Drive Entrance) Hong Kong Convention and Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong on Tuesday, 19 November 2019 at 11:45 a.m. for the following purposes:

1. To consider and adopt the audited Financial Statements and the Reports of the Directors and the Independent Auditor for the year ended 30 June 2019.
2. To declare a final dividend.
3. To re-elect Directors and authorise the Board of Directors to fix their remuneration, including:
  - (a) to re-elect Dr. Cheng Chi-Kong Adrian as Director;
  - (b) to re-elect Mr. Yeung Ping-Leung, Howard as Director;
  - (c) to re-elect Mr. Ho Hau-Hay, Hamilton as Director;
  - (d) to re-elect Mr. Lee Luen-Wai, John as Director;
  - (e) to re-elect Mr. Cheng Chi-Heng as Director;
  - (f) to re-elect Mr. Au Tak-Cheong as Director; and
  - (g) to authorise the Board of Directors to fix the remuneration of the Directors.
4. To re-appoint Messrs. PricewaterhouseCoopers as Auditor and authorise the Board of Directors to fix their remuneration.
5. As special business to consider and, if thought fit, pass with or without modifications, the following resolution as an ordinary resolution:

**ORDINARY RESOLUTION**

“**THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to buy back shares of the Company on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) or any other stock exchange on

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which the securities of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in connection with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

- (b) the total number of shares of the Company which the Directors of the Company is authorised to buy back pursuant to the approval in paragraph (a) above shall not exceed 10% of the total number of the issued shares of the Company as at the date of passing this resolution, provided that if any subsequent consolidation or subdivision of shares of the Company is effected, the maximum number of shares of the Company that may be bought back under the mandate in paragraph (a) above as a percentage of the total number of issued shares of the Company at the date immediately before and after such consolidation or subdivision shall be the same and such maximum number of shares shall be adjusted accordingly; and

- (c) for the purposes of this resolution,

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

6. As special business to consider and, if thought fit, pass with or without modifications, the following resolution as an ordinary resolution:

### ORDINARY RESOLUTION

**“THAT:**

- (a) subject to paragraph (c) below and pursuant to Sections 140 and 141 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power to issue shares of the Company be and is hereby generally and unconditionally approved;

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- (b) the approval in paragraph (a) above shall authorise the Directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power to issue shares of the Company after the end of the Relevant Period;
- (c) the total number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) an issue of shares as scrip dividends pursuant to the articles of association of the Company from time to time; (iii) an issue of shares under any option scheme or similar arrangement for the time being adopted for the grant or issue to employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (iv) an issue of shares upon conversion by the bondholders of their bonds into shares of the Company in accordance with the terms and conditions of an issue of convertible guaranteed bonds by the Company or a special purpose subsidiary wholly owned by the Company, shall not exceed 10% of the total number of the issued shares of the Company as at the date of passing this resolution, provided that if any subsequent consolidation or subdivision of shares of the Company is effected, the maximum number of shares of the Company that may be issued and allotted under the mandate in paragraph (a) above as a percentage of the total number of issued shares of the Company at the date immediately before and after such consolidation or subdivision shall be the same and such maximum number of shares shall be adjusted accordingly;
- (d) any shares of the Company to be allotted and issued (whether wholly or partly for cash or otherwise) pursuant to the mandate in the above paragraphs of this resolution shall not be at a discount of more than 15% to the Benchmarked Price (as hereinafter defined) of such shares of the Company; and
- (e) for the purpose of this resolution,  
“Benchmarked Price” means the price which is the higher of:
  - (i) the closing price of the shares of the Company as quoted on The Stock Exchange of Hong Kong Limited on the date of the agreement involving the relevant proposed issue of shares of the Company; and

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- (ii) the average closing price as quoted on The Stock Exchange of Hong Kong Limited of the shares of the Company for the five trading days immediately preceding the earliest of:
  - (A) the date of announcement of the transaction or arrangement involving the relevant proposed issue of shares of the Company;
  - (B) the date of the agreement involving the relevant proposed issue of shares of the Company; and
  - (C) the date on which the price of shares of the Company that are proposed to be issued is fixed.

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means an offer of shares open for a period fixed by the Directors of the Company to the holders of shares of the Company on the register on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

7. As special business to consider and, if thought fit, pass with or without modifications, the following resolution as an ordinary resolution:

### ORDINARY RESOLUTION

**“THAT:**

- (a) subject to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the terms and conditions of the share option scheme adopted by the shareholders of the Company on 22 November 2016 (the “Share Option Scheme”), a mandate be and is hereby unconditionally given to the Directors of the Company to exercise during the Relevant Period

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(as defined in paragraph (c) below) all the powers of the Company to grant options to subscribe for shares of the Company and/or to make or grant offers of options under the Share Option Scheme that would or might require shares of the Company to be allotted and/or options to be granted under the Share Option Scheme;

(b) the approval in paragraph (a) above shall authorise the Directors of the Company during the Relevant Period (as hereinafter defined) to grant options and/or make offers of options under the Share Option Scheme which would or might require shares of the Company to be allotted and/or options to be granted under the Share Option Scheme after the end of the Relevant Period;

(c) for the purpose of this resolution,

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

By Order of the Board  
**Wong Man-Hoi**  
*Company Secretary*

Hong Kong, 21 October 2019

*Notes:*

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company.
2. To be valid, a proxy form, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be lodged with the Company’s share registrar, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof (as the case may be).
3. The register of members of the Company will be closed from Tuesday, 12 November 2019 to Tuesday, 19 November 2019, both days inclusive, during which period no transfer of shares will be effected. In order to determine the entitlement to attend and vote at the Annual General Meeting, all share transfers accompanied by the relevant share certificates, must be lodged with the Company’s share registrar, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration not later than 4:30 p.m. on Monday, 11 November 2019.

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4. If a tropical cyclone warning signal no. 8 or above is in force in Hong Kong at any time between 7:45 a.m. to 11:45 a.m. on Tuesday, 19 November 2019, the Annual General Meeting will not be held on that day but will be automatically postponed. The Company will publish an announcement on its website and on the website of the Stock Exchange to notify members of the Company of the date, time and location of the rescheduled meeting.
5. The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.
6. As at the date of this notice, the Board of Directors of the Company comprises (a) seven Executive Directors, namely Dr. Cheng Kar-Shun, Henry, Dr. Cheng Chi-Kong, Adrian, Mr. Cheng Chi-Heng, Ms. Cheng Chi-Man, Sonia, Mr. Au Tak-Cheong, Mr. Sitt Nam-Hoi and Mr. So Chung-Keung, Alfred; (b) three Non-executive Directors, namely, Mr. Doo Wai-Hoi, William, Mr. Cheng Kar-Shing, Peter and Ms. Ki Man-Fung, Leonie; and (c) six 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, Mr. Liang Cheung-Biu, Thomas and Mr. Ip Yuk-Keung.