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 **新世界發展有限公司**
New World Development Company Limited
(incorporated in Hong Kong with limited liability)
(Stock Code: 0017)


新創建 NWS
新創建集團有限公司*
NWS HOLDINGS LIMITED
(incorporated in Bermuda with limited liability)
(stock code: 659)

**(1) JOINT ANNOUNCEMENT OF NWD AND NWS IN RELATION TO
THE COMPLETION OF THE ACQUISITION OF
THE ENTIRE ISSUED SHARE CAPITAL IN
FTLIFE INSURANCE COMPANY LIMITED
BY A WHOLLY-OWNED SUBSIDIARY OF NWS**

**(2) ANNOUNCEMENT OF NWS IN RELATION TO
A CONNECTED TRANSACTION UPON COMPLETION**

The NWD Board and the NWS Board are pleased to announce that Completion took place on 1 November 2019. Upon Completion, FTLife Insurance became an indirect wholly-owned subsidiary of NWS and an indirect non-wholly-owned subsidiary of NWD.

The investment portfolio of FTLife Insurance comprises, among other things, certain bonds issued by wholly-owned subsidiaries of NWD which FTLife Insurance had subscribed for and/or acquired prior to the date of the Share Purchase Agreement. As at the date of this announcement, such bonds include (i) the NWD (MTN) Bonds in the principal amount of US\$4,000,000 which were acquired by FTLife Insurance on 20 January 2017 at the consideration of approximately US\$4.09 million (equivalent to approximately HK\$32.07 million); and (ii) the NWCL Bonds in the principal amount of US\$12,000,000 which were subscribed for and acquired by FTLife Insurance on 11 and 20 January 2017 respectively at the aggregate consideration of approximately US\$11.97 million (equivalent to approximately HK\$93.84 million).

As at the date of this announcement, NWD together with its subsidiaries hold approximately 61% of the total issued share capital of NWS. Both NWD (MTN) and NWCL are wholly-owned subsidiaries of NWD. Accordingly, NWD, NWD (MTN) and NWCL are connected persons of NWS. Upon Completion, FTLife Insurance became a wholly-owned subsidiary of NWS. Therefore, the investment in the Bonds by FTLife Insurance constitutes financial assistance by NWS Group to NWD Group and hence a connected transaction of NWS under Chapter 14A of the Listing Rules.

As the applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of the investment in the Bonds exceeds 0.1% but is below 5% for NWS, the investment in the Bonds is exempt from the circular (including independent financial advice) and independent shareholders' approval requirements, but is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules.

COMPLETION OF THE ACQUISITION

Reference is made to the joint announcement of New World Development Company Limited (“**NWD**”) and NWS Holdings Limited (“**NWS**”) dated 27 December 2018 in relation to the acquisition of the entire issued share capital in FTLife Insurance Company Limited (“**FTLife Insurance**”) by a wholly-owned subsidiary of NWS (the “**Joint Announcement**”), and the circular of NWS dated 11 April 2019 in relation to further details of the aforesaid acquisition. Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as defined in the Joint Announcement.

The NWD Board and the NWS Board are pleased to announce that Completion took place on 1 November 2019. Upon Completion, FTLife Insurance became an indirect wholly-owned subsidiary of NWS and an indirect non-wholly-owned subsidiary of NWD, and since then the financial statements of FTLife Insurance and its subsidiaries are consolidated into the consolidated financial statements of NWS Group and of NWD Group.

CONNECTED TRANSACTION OF NWS UPON COMPLETION

The investment portfolio of FTLife Insurance comprises, among other things, certain bonds issued by wholly-owned subsidiaries of NWD which FTLife Insurance had subscribed for and/or acquired prior to the date of the Share Purchase Agreement. As at the date of this announcement, such bonds include (i) the 4.375% bonds due 2022 issued by NWD (MTN) Limited (“**NWD (MTN)**”) and guaranteed by NWD in the principal amount of US\$4,000,000 (the “**NWD (MTN) Bonds**”), which were acquired by FTLife Insurance on 20 January 2017 at the consideration of approximately US\$4.09 million (equivalent to approximately HK\$32.07 million); and (ii) the 4.75% bonds due 2027 issued by New World China Land Limited (“**NWCL**”) and guaranteed by NWD in the principal amount of US\$12,000,000 (the “**NWCL Bonds**”, together with the NWD (MTN) Bonds, the “**Bonds**”), which were subscribed for and acquired by FTLife Insurance on 11 and 20 January 2017 respectively at the aggregate consideration of approximately US\$11.97 million (equivalent to approximately HK\$93.84 million). Both NWD (MTN) and NWCL are wholly-owned subsidiaries of NWD.

Major terms of the Bonds

The major terms of the Bonds are set out as follows:

	NWD (MTN) Bonds	NWCL Bonds
ISIN:	XS1318014831	XS1549621586
Issuer:	NWD (MTN)	NWCL
Guarantor:	NWD	NWD
Maturity date:	30 November 2022	23 January 2027
Trading currency:	USD	USD
Coupon:	4.375% per annum, payable semi-annually	4.75% per annum, payable semi-annually
Payment rank:	Senior unsecured	Senior unsecured
Total amount issued and outstanding:	US\$950,000,000	US\$600,000,000
Listing status:	Listed on the Stock Exchange on 1 December 2015 (stock code: 5582)	Listed on the Stock Exchange on 24 January 2017 (stock code: 5343)

As at 31 October 2019, the mid-price of each of the NWD (MTN) Bonds and the NWCL Bonds (per US\$100 principal amount) is US\$104.1007 and US\$105.6211 respectively.

Listing Rules implications for NWS

As at the date of this announcement, NWD together with its subsidiaries hold approximately 61% of the total issued share capital of NWS. Both NWD (MTN) and NWCL are wholly-owned subsidiaries of NWD. Accordingly, NWD, NWD (MTN) and NWCL are connected persons of NWS. Upon Completion, FTLife Insurance became a wholly-owned subsidiary of NWS. Therefore, the investment in the Bonds by FTLife Insurance constitutes financial assistance by NWS Group to NWD Group and hence a connected transaction of NWS under Chapter 14A of the Listing Rules.

As the applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of the investment in the Bonds exceeds 0.1% but is below 5% for NWS, the investment in the Bonds is exempt from the circular (including independent financial advice) and independent shareholders' approval requirements, but is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules.

Each of Dr. Cheng Kar Shun, Henry (“**Dr. Henry Cheng**”) and Dr. Cheng Chi Kong, Adrian (“**Dr. Adrian Cheng**”), being a director of NWS, is also a director of NWD, NWD (MTN) and NWCL. Accordingly, Dr. Henry Cheng, Dr. Adrian Cheng, Mr. Cheng Chi Ming, Brian (a director of NWS, and the son of Dr. Henry Cheng and the brother of Dr. Adrian Cheng) and Mr. William Junior Guilherme Doo (a director of NWS, and the nephew of Dr. Henry Cheng and the cousin of Dr. Adrian Cheng), abstained from voting on the resolutions approving the investment in the Bonds at the relevant NWS Board meeting. Save as disclosed, no other director of NWS is regarded as having a material interest in the investment in the Bonds and hence no other director of NWS is required under the Listing Rules to abstain from voting on the resolutions approving the investment in the Bonds at the meeting of the NWS Board.

The investment in the Bonds is part of the investment portfolio of FTLife Insurance maintained in its ordinary course of business as a life insurance company. As a holder of the Bonds, FTLife Insurance is subject to the same terms and conditions as other holders of the Bonds. The directors of NWS (including the independent non-executive directors) are of the view that the investment in the Bonds is on normal commercial terms, fair and reasonable and in the interests of NWS and its shareholders as a whole.

Information on NWD (MTN), NWCL, NWD Group, FTLife Insurance and NWS Group

NWD (MTN) is a company incorporated in the British Virgin Islands with limited liability and engaged in the business of bonds issuing. It is a wholly-owned subsidiary of NWD.

NWCL is a company incorporated in the Cayman Islands with limited liability and engaged in the business of investment holding. It is a wholly-owned subsidiary of NWD.

NWD is a company incorporated in Hong Kong with limited liability whose shares are listed on the Main Board of the Stock Exchange. NWD Group (including NWS Group) is principally engaged in property development and investments in the areas of property, infrastructure, hotel operation, department store operation, commercial aircraft leasing, services and technology. As at the date of this announcement, NWD together with its subsidiaries hold approximately 61% of the total issued share capital of NWS.

FTLife Insurance is a company incorporated in Bermuda with limited liability and is an indirect wholly-owned subsidiary of NWS and an indirect non-wholly owned subsidiary of NWD upon Completion. It is a life insurance company operating in Hong Kong, providing a broad range of protection and savings-related life and medical insurance products, serving both individual and institutional clients via tied agents and brokers.

NWS is a company incorporated in Bermuda with limited liability whose shares are listed on the Main Board of the Stock Exchange. NWS Group is principally engaged in (i) the development of, investment in and/or operation of roads, commercial aircraft leasing and construction; and (ii) the investment in and/or operation of environmental and logistics projects, facilities and transport.

Unless otherwise specified in this announcement and for the purpose of illustration only, US\$ is translated into HK\$ at the rate of US\$1.00=HK\$7.84.

By order of the board of directors of
New World Development Company Limited
(新世界發展有限公司)
Dr. Cheng Kar Shun, Henry
Chairman

By order of the board of directors of
NWS Holdings Limited
(新創建集團有限公司*)
Dr. Cheng Kar Shun, Henry
Chairman

Hong Kong, 1 November 2019

As at the date of this announcement, (a) the executive directors of NWD are 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) the non-executive directors of NWD are Mr. Doo Wai Hoi, William, Mr. Cheng Kar Shing, Peter and Ms. Ki Man Fung, Leonie; 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, Mr. Liang Cheung Biu, Thomas and Mr. Ip Yuk Keung.

As at the date of this announcement, (a) the executive directors of NWS are Dr. Cheng Kar Shun, Henry, Mr. Ma Siu Cheung, Dr. Cheng Chi Kong, Adrian, Mr. Cheung Chin Cheung, Mr. Cheng Chi Ming, Brian, Mr. Ho Gilbert Chi Hang and Mr. Chow Tak Wing; (b) the non-executive directors of NWS are Mr. To Hin Tsun, Gerald, Mr. Dominic Lai, Mr. Tsang Yam Pui, Mr. Lam Wai Hon, Patrick and Mr. William Junior Guilherme Doo; and (c) the independent non-executive directors of NWS are Mr. Kwong Che Keung, Gordon, Dr. Cheng Wai Chee, Christopher, The Honourable Shek Lai Him, Abraham, Mr. Lee Yiu Kwong, Alan, Mrs. Oei Fung Wai Chi, Grace and Mr. Wong Kwai Huen, Albert.

* For identification purposes only