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If you are in any doubt as to any aspect of this circular, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **New World China Land Limited**, you should at once hand this circular with the enclosed form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

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New World China Land Limited
新世界中國地產有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 917)

**NOTICE OF ANNUAL GENERAL MEETING
RE-ELECTION OF THE RETIRING DIRECTORS
GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES**

A notice convening the 2012 annual general meeting of New World China Land Limited to be held at Meeting Room N101A (Expo Drive Entrance), Hong Kong Convention and Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong on Wednesday, 21st November 2012 at 11:00 a.m. is set out on pages 6 to 9 of this circular. Whether or not you are able to attend the meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar in Hong Kong, Tricor Standard Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting should you so wish.

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company convened to be held on Wednesday, 21st November 2012 at 11:00 a.m.
“Articles”	the articles of association of the Company
“Associates”	has the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“Company”	New World China Land Limited, a company incorporated in the Cayman Islands, the Shares of which are listed on the Stock Exchange
“Directors”	the directors of the Company
“General Mandate”	a general mandate proposed to be granted to the Directors to exercise the powers of the Company to allot, issue and deal with the Shares in the manner as set out in resolution no. 5(1) in the notice of the AGM
“Group”	the Company and its subsidiaries
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	15th October 2012, being the latest practicable date before the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“NWD”	New World Development Company Limited, the Company’s holding company, the shares of which are listed on the Stock Exchange
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors to exercise all the powers of the Company to repurchase Shares in the manner as set out in resolution no. 5(2) in the notice of the AGM
“Share(s)”	share(s) of HK\$0.10 each in the capital of the Company
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	the Stock Exchange of Hong Kong Limited

DEFINITIONS

“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent



New World China Land Limited
新世界中國地產有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 917)

Executive Directors:

Dr. Cheng Kar-shun, Henry *GBS*

(Chairman and Managing Director)

Mr. Cheng Kar-shing, Peter

Mr. Cheng Chi-kong, Adrian

Ms. Cheng Chi-man, Sonia

Mr. Cheng Chi-him, Conrad

Mr. Fong Shing-kwong, Michael

Ms. Ngan Man-ying, Lynda

Non-executive Directors:

Mr. Doo Wai-hoi, William *JP*

(Vice-chairman)

Mr. Chow Yu-chun, Alexander

Independent non-executive Directors:

Dr. Cheng Wai-chee, Christopher *GBS OBE JP*

Mr. Tien Pei-chun, James *GBS JP*

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

Registered office:

P.O. Box 309

Ugland House

Grand Cayman

KY1-1104

Cayman Islands

*Principal place of business
in Hong Kong:*

9th Floor, New World Tower 1

18 Queen's Road Central

Hong Kong

22nd October 2012

*To the Shareholders and for information purpose only,
the holders of the outstanding options of the Company*

Dear Sir/Madam,

**NOTICE OF ANNUAL GENERAL MEETING
RE-ELECTION OF THE RETIRING DIRECTORS
GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES**

INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the forthcoming AGM in relation to (i) the re-election of the retiring directors; and (ii) granting of the General Mandate, the Repurchase Mandate and extension of the General Mandate. A notice of the AGM is set out in Appendix I to this circular.

LETTER FROM THE CHAIRMAN AND MANAGING DIRECTOR

RE-ELECTION OF THE RETIRING DIRECTORS

In accordance with article 116 of the Articles, one-third of the Directors for the time being, or if their number is not three or a multiple of three, then the number nearest to, but not exceeding one-third, shall retire from office at each annual general meeting of the Company subject to the provision that every Director shall be subject to retirement by rotation at least once every three years. In this connection, Mr. Cheng Kar-shing, Peter, Mr. Fong Shing-kwong, Michael, Ms. Ngan Man-ying, Lynda and Dr. Cheng Wai-chee, Christopher will retire at the AGM and being eligible, will offer themselves for re-election at the AGM. Information required to be disclosed under the Listing Rules in relation to the retiring directors is set out in Appendix II to this circular.

Pursuant to code provision A.4.3 of the Corporate Governance Code set out in Appendix 14 to the Listing Rules, any further appointment of independent non-executive director serving more than nine years should be subject to a separate resolution to be approved by shareholders. Dr. Cheng Wai-chee, Christopher is an independent non-executive Director serving the Company since 1999. Separate resolution will be proposed for his re-election at the Annual General Meeting. The Board considers that Dr. Cheng Wai-chee, Christopher continues to be independent and should be re-elected as he has met all the guidelines for assessing independence set out in Rule 3.13 of the Listing Rules and has given an annual confirmation of his independence to the Company. The Board is of the opinion that he will continue to bring independent and objective perspectives to the Company's affairs given his wide spectrum of knowledge, extensive business experience and familiarity with the Company's affairs.

GENERAL MANDATE AND REPURCHASE MANDATE

At the last annual general meeting of the Company held on 22nd November 2011, the Directors were granted general mandates to issue Shares and to repurchase Shares. Each of such mandates will expire at the conclusion of the forthcoming AGM and the Directors would like to seek your approval to renew each of the mandates.

An ordinary resolution set out as resolution no. 5(1) in the notice of the AGM will be proposed at the AGM to grant General Mandate to the Directors to allot and issue new Shares up to an amount not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of the resolution. Such General Mandate will be extended by a separate resolution set out as resolution no. 5(3) in the notice of the AGM by adding to the aggregate nominal amount of the Shares to be issued and allotted pursuant to the General Mandate the nominal amount of the Shares repurchased by the Company pursuant to the Repurchase Mandate. The granting of the General Mandate will provide for flexibility to the Directors to issue Shares when it is in the interest of the Company.

At the AGM, another ordinary resolution set out as resolution no. 5(2) in the notice of the AGM will be proposed to the Shareholders that the Directors be given a Repurchase Mandate to repurchase Shares up to 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of the resolution. An explanatory statement as required by the Listing Rules to be sent to the Shareholders in connection with the Repurchase Mandate is set out in Appendix III to this circular.

LETTER FROM THE CHAIRMAN AND MANAGING DIRECTOR

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by way of poll save for resolutions relating purely to a procedural or administrative matter. Accordingly, the Chairman of the AGM shall demand the resolutions to be put to vote by poll. The results of the poll will be announced by the Company in the manner prescribed by the Listing Rules.

PROXY

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you intend to attend the AGM, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Standard Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. The completion and return of the form of proxy will not prevent you from attending and voting in person at the AGM or any adjourned meeting should you so desire.

RESPONSIBILITY STATEMENT

This circular for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material aspects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

RECOMMENDATION

The Directors believe that the re-election of the retiring directors, granting of the General Mandate and the Repurchase Mandate are all in the best interest of the Company and the Shareholders as a whole. Accordingly, the Directors recommend you to vote in favour of all the ordinary resolutions as set out in the notice of the AGM.

Your attention is drawn to additional information as set out in the Appendices.

Yours faithfully,
Dr. Cheng Kar-shun, Henry
Chairman and Managing Director



New World China Land Limited
新世界中國地產有限公司

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(Stock Code: 917)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Annual General Meeting of the shareholders of the Company will be held at Meeting Room N101A (Expo Drive Entrance), Hong Kong Convention and Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong on Wednesday, 21st November 2012 at 11:00 a. m. for the following purposes:

1. To receive and consider the audited financial statements and the Reports of the Directors and Auditor for the year ended 30th June 2012.
2. To declare a final dividend.
3. To re-elect Directors and authorise the Board of Directors to fix their remuneration.
4. To re-appoint 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 resolutions as ordinary resolutions:

(1) **“THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot and issue additional shares in the capital of the Company and to make or grant offers, agreements and options which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (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 powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital 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; or (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, shall not exceed 20 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of this resolution and the said approval shall be limited accordingly; and

- (d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier 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 applicable law or the articles of association of the Company to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

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

- (2) **“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 repurchase issued shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and which is recognized by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with Cayman Islands law and all applicable laws and/or the Rules Governing the Listing of Securities on the Stock Exchange or the rules of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the shares to be repurchased by the Directors of the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

(c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier 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 applicable law or the articles of association of the Company to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

(3) **“THAT:**

conditional upon the passing of Ordinary Resolutions Nos. (1) and (2) as set out in the notice convening this meeting, the general unconditional mandate granted to the Directors of the Company pursuant to Ordinary Resolution No. (1) as set out in the notice convening this meeting be extended by the addition to the aggregate nominal value of the share capital of the Company which may be allotted or agreed to be allotted by the Directors pursuant to such general mandate of an amount representing the aggregate nominal value of the shares repurchased by the Company pursuant to the authority to repurchase shares granted pursuant to Ordinary Resolution No. (2) as set out in the notice convening this meeting, provided that such extended amount shall not exceed 10 per cent of the aggregate nominal value of the share capital of the Company in issue as at the date of this resolution.”

By Order of the Board
Ngan Man-ying, Lynda
Company Secretary

Hong Kong, 22nd October 2012

Notes:

1. The register of members of the Company will be closed from Monday, 19th November 2012 to Wednesday, 21st November 2012, both days inclusive, during which period no share transfers will be effected. In order to be eligible 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 branch share registrar in Hong Kong, Tricor Standard Limited at 26/F., Tesbury Centre, 28 Queen’s Road East, Hong Kong for registration not later than 4:30 p.m. on Friday, 16th November 2012.
2. The proposed final dividend is subject to the approval of the shareholders at the Annual General Meeting. For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed for one day on Wednesday, 28th November 2012, during which period no share transfer will be effected. To qualify for the proposed final dividend, all share transfers accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Standard Limited at 26/F., Tesbury Centre, 28 Queen’s Road East, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 27th November 2012.
3. A member entitled to attend and vote at the above meeting is entitled to appoint one or more proxies (who must be individuals) to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company.

4. To be effective, the instrument appointing a proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or authority, must be deposited at Company's branch share registrar in Hong Kong, Tricor Standard Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong, not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
5. In accordance with article 116 of the Company's articles of association, Mr. Cheng Kar-shing, Peter, Mr. Fong Shing-kwong, Michael, Ms. Ngan Man-ying, Lynda and Dr. Cheng Wai-chee, Christopher will retire as Directors at the above meeting and being eligible, all the retiring Directors will offer themselves for re-election.
6. As at the date of this notice, the Board of Directors of the Company comprises: (1) Dr. Cheng Kar-shun, Henry, Mr. Cheng Kar-shing, Peter, Mr. 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 as executive directors; (2) Mr. Doo Wai-hoi, William and Mr. Chow Yu-chun, Alexander as non-executive directors; and (3) Dr. Cheng Wai-chee, Christopher, Mr. Tien Pei-chun, James and Mr. Lee Luen-wai, John as independent non-executive directors.

APPENDIX II INFORMATION ON THE DIRECTORS PROPOSED FOR RE-ELECTION

The particulars of Mr. Cheng Kar-shing, Peter, Mr. Fong Shing-kwong, Michael, Ms. Ngan Man-ying, Lynda and Dr. Cheng Wai-chee, Christopher, the retiring Directors who offer themselves for re-election at the AGM, disclosed pursuant to Rule 13.74 of the Listing Rules are as follows:

Mr. Cheng Kar-shing, Peter

Aged 60, was appointed as an Executive Director of the Company in June 1999. He is also a member of the Executive Committee of the Board of Directors of the Company and a director of certain subsidiaries of the Company. Mr. Cheng also acts as a Non-Executive Director of New World Development Company Limited, a substantial shareholder of the Company, and an Independent Non-Executive Director of King Fook Holdings Limited and Symphony Holdings Limited, all being listed public companies in Hong Kong. In addition, he is a Director of several substantial shareholders of the Company, namely Cheng Yu Tung Family (Holdings) Limited, Cheng Yu Tung Family (Holdings II) Limited, Chow Tai Fook Capital Limited, Chow Tai Fook (Holding) Limited and Chow Tai Fook Enterprises Limited. He is also a Director of NWS Service Management Limited, New World Hotels (Holdings) Limited, and Polytown Company Limited as well as the Chairman of Chow Tai Fook Charity Foundation. Mr. Cheng is a Fellow of The Hong Kong Institution of Engineers, a Fellow of The Hong Kong Institute of Arbitrators, an Accredited Mediator of Hong Kong Mediation Centre, a CEDR Accredited Mediator, HKIAC Accredited Mediator (General), a panel mediator of Land (Compulsory Sale For Redevelopment) Ordinance Pilot Mediation Scheme of The Joint Mediation Helpline Office and an Arbitrator of Huizhou Arbitration Commission. He is the brother of Dr. Cheng Kar-shun, Henry, the brother-in-law of Mr. Doo Wai-hoi, William, the father of Mr. Cheng Chi-him, Conrad as well as the uncle of Mr. Cheng Chi-kong, Adrian and Ms. Cheng Chi-man, Sonia.

Pursuant to the service contract entered into between the Company and Mr. Cheng dated 23rd March 2012, the appointment of Mr. Cheng shall be for a term of three years commencing from 1st April 2012, subject to retirement by rotation and re-election at least once every three years at the annual general meetings of the Company in accordance with the Articles. Mr. Cheng was paid HK\$180,000 as director's fee for the year ended 30th June 2012 as determined by the Board under the authority granted by the Shareholders at the 2011 annual general meeting.

Save as disclosed above, Mr. Cheng is not connected with any directors, senior management, substantial shareholders or controlling shareholders of the Company and he has not held any directorship in other listed companies during the past three years. Except for his beneficial interest in 1,587,130 underlying Shares attached to the share options granted by the Company, as at the Latest Practicable Date, Mr. Cheng does not have other interests in the Shares within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Cheng is not aware of any matters that are required to be disclosed pursuant to paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules or any other matters that need to be brought to the attention of the Shareholders.

Mr. Fong Shing-kwong, Michael

Aged 64, was appointed as an Executive Director of the Company in January 2003. He is also a director of certain subsidiaries of the Company. Mr. Fong is an Independent Non-Executive Director of Chuang's Consortium International Limited, a listed public company in Hong Kong, and a Director of several unlisted companies, including NWS Service Management Limited, New World Hotels (Holdings) Limited and Kiu Lok Property Services (China) Limited. Mr. Fong joined the New World Group in 1978 and was appointed as an Executive Director of New World Hotels International Limited from 1983 to

APPENDIX II INFORMATION ON THE DIRECTORS PROPOSED FOR RE-ELECTION

1997. He is responsible for hotel corporate management and project development of the Company and the New World Group. Besides his over 30 years experience in the hospitality industry, Mr. Fong has extensive experience in property development, asset and facility management as well as investment business in the PRC.

Pursuant to the service contract entered into between the Company and Mr. Fong dated 23rd March 2012, the appointment of Mr. Fong shall be for a term of three years commencing from 1st April 2012, subject to retirement by rotation and re-election at least once every three years at the annual general meetings of the Company in accordance with the Articles. His emoluments comprise annual salary package, discretionary bonus and a director's fee to be reviewed and determined by the Board annually with the authorization granted by the Shareholders at annual general meeting of the Company and taking reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market situation. For the year ended 30th June 2012, he was paid HK\$180,000 as director's fee of the Company and an aggregate amount of HK\$1.8 million as emoluments.

Save as disclosed above, Mr. Fong is not connected with any directors, senior management, substantial shareholders or controlling shareholders of the Company and has not held any directorship in other listed companies during the past three years. Except for his beneficial interest in 2,068,895 Shares and 519,481 underlying Shares attached to the share options granted by the Company, as at the Latest Practicable Date, Mr. Fong does not have other interests in the Shares within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Fong is not aware of any matters that are required to be disclosed pursuant to paragraphs of 13.51(2)(h) to 13.51(2)(v) of the Listing Rules or any other matters that need to be brought to the attention of the Shareholders.

Ms. Ngan Man-ying, Lynda

Aged 46, was appointed as an Executive Director of the Company in January 2006. She is also a member of each of the Executive Committee, the Remuneration Committee and the Nomination Committee of the Board of Directors of the Company and a director of certain subsidiaries of the Company. Ms. Ngan is an Executive Director of New World Department Store China Limited, a listed public company in Hong Kong. Ms. Ngan joined the Group in 1999 and is the Financial Controller and a committee member of the Group's Operation Committee responsible for overseeing the Group's financial accounting, treasury management and corporate governance monitoring. Prior to joining the Company, Ms. Ngan worked for an international accounting firm in Hong Kong and a tax consulting company in Australia. She is a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants of United Kingdom and has over 25 years of experience in auditing, accounting, business advisory and tax consultancy. Ms. Ngan is the Company Secretary of the Company.

Pursuant to the service contract entered into between the Company and Ms. Ngan dated 21st November 2011, the appointment of Ms. Ngan shall be for a term of three years commencing from 17th January 2012, subject to retirement by rotation and re-election at least once every three years at the annual general meetings of the Company in accordance with the Articles. Her emoluments comprise annual salary package, discretionary bonus and a director's fee to be reviewed and determined by the Board annually with the authorization granted by the Shareholders at annual general meeting of the

APPENDIX II INFORMATION ON THE DIRECTORS PROPOSED FOR RE-ELECTION

Company and taking reference to her duties and responsibilities with the Company, the Company's performance and the prevailing market situation. For the year ended 30th June 2012, she was paid HK \$180,000 as director's fee of the Company and an aggregate amount of HK\$6.6 million as emoluments.

Save as disclosed above, Ms. Ngan is not connected with any directors, senior management, substantial shareholders or controlling shareholders of the Company and has not held any directorship in other listed companies during the past three years. Except for her beneficial interest in 1,216,195 underlying Shares attached to the share options granted by the Company, as at the Latest Practicable Date, Ms. Ngan does not have other interests in the Shares within the meaning of Part XV of the Securities and Futures Ordinance. Ms. Ngan is not aware of any matters that are required to be disclosed pursuant to paragraphs of 13.51(2)(h) to 13.51(2)(v) of the Listing Rules or any other matters that need to be brought to the attention of the Shareholders.

Dr. Cheng Wai-chee, Christopher *GBS OBE JP*

Aged 64, was appointed as an Independent Non-Executive Director of the Company in June 1999. He also acts as the Chairman of each of the Audit Committee and the Remuneration Committee as well as a member of the Nomination Committee of the Board of Directors of the Company. Dr. Cheng is the Chairman of Wing Tai Properties Limited, an Independent Non-Executive Director of NWS Holdings Limited and Kingboard Chemical Holdings Limited, all being listed public companies in Hong Kong, as well as an Independent Non-Executive Director of DBS Group Holdings Limited, a listed public company in Singapore. Dr. Cheng is also a Non-Executive Director of Eagle Asset Management (CP) Limited (as manager of Champion Real Estate Investment Trust). He was an Independent Non-Executive Director of PICC Property and Casualty Company Limited and the Chairman of Winsor Properties Holdings Limited, both listed public companies in Hong Kong, up to his resignation on 23rd October 2009 and 1st September 2012, respectively.

Dr. Cheng has a keen interest in the public services. He is currently a member of the Hong Kong Government Exchange Fund Advisory Committee, a member of the Judicial Officers Recommendation Commission, a member of the Council of The University of Hong Kong and a steward of the Hong Kong Jockey Club. He also serves as a member of the board of Overseers at Columbia Business School, the board of Temasek Foundation CLG Limited, and a member on the President's Council on International Activities of the Yale University. Dr. Cheng is the former Chairman of the Hong Kong General Chamber of Commerce. Dr. Cheng holds a BBA from the University of Notre Dame, Indiana, USA and an MBA from Columbia University, New York and was conferred the degree of Doctor of Social Sciences *honoris causa* by the University of Hong Kong.

Pursuant to the service contract entered into between the Company and Dr. Cheng dated 21st November 2011, the appointment of Dr. Cheng shall be for a term of three years commencing from 1st January 2012, subject to retirement by rotation and re-election at least once every three years at the annual general meetings of the Company in accordance with the Articles. He was paid HK\$300,000 as director's fee for the year ended 30th June 2012 as determined by the board of Directors under the authority granted by the Shareholders at the 2011 annual general meeting.

APPENDIX II INFORMATION ON THE DIRECTORS PROPOSED FOR RE-ELECTION

Save as disclosed above, Dr. Cheng is not connected with any directors, senior management, substantial shareholders or controlling shareholders of the Company and has not held any directorship in other listed companies during the past three years. Except for his beneficial interest in 299,400 Shares and 399,736 underlying Shares attached to the share options granted by the Company, as at the Latest Practicable Date, Dr. Cheng does not have other interests in the Shares within the meaning of Part XV of the Securities and Futures Ordinance. Dr. Cheng is not aware of any matters that are required to be disclosed pursuant to paragraphs of 13.51(2)(h) to 13.51(2)(v) of the Listing Rules or any other matters that need to be brought to the attention of the Shareholders.

This Appendix serves as the 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 Repurchase Mandate to be granted to the Directors.

SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 8,651,813,814 Shares.

Subject to the passing of the relevant ordinary resolution and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 865,181,381 Shares.

REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders to have general authority from the Shareholders to enable the Directors to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net value of the Company and its assets and/or its earning per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.

FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and articles of association and the applicable laws of the Cayman Islands. The laws of Cayman Islands provide that the purchase of Shares may only be paid from the profits of the Company and/or out of the proceeds of a new issue of Shares made for the purpose of the repurchase or out of capital, if the Company can immediately following such payment, pay its debt as they fall due in the ordinary course of business.

There might be material 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 30th June 2012) in the event that the proposed repurchase of Shares was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate 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.

GENERAL

The Directors have undertaken to the Stock Exchange that, so far as the same may be applied, they will exercise the Repurchase Mandate in accordance with the Listing Rules and applicable laws of the Cayman Islands.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their Associates have any present intention to sell any Shares to the Company.

No connected persons (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 Repurchase Mandate is approved by the Shareholders.

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purpose of the Takeovers Code. As a result, a shareholder or a group of shareholders acting in concert, depending on the level of increase of the Shareholder's interest, may obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, NWD, directly and indirectly through its subsidiaries, held 6,092,601,173 Shares, representing an effective interest of approximately 70% in the issued share capital of the Company. Chow Tai Fook Enterprises Limited ("CTF"), by virtue of its interest in NWD, was deemed to be interested in the said 6,092,601,173 Shares. CTF is wholly-owned by Chow Tai Fook (Holding) Limited ("CTFH") which in turn is 74.07% owned by Chow Tai Fook Capital Limited ("CTFC"). CTFC is 48.98% and 46.65% owned by Cheng Yu Tung Family (Holdings) Limited ("CYTF") and Cheng Yu Tung Family (Holdings II) Limited ("CYTF II"), respectively. CTFH, CTFC, CYTF and CYTF II are deemed to be interested in the said 6,092,601,173 Shares. In the event that the Directors should exercise in full the Repurchase Mandate (if the present shareholding otherwise remained the same), the effective interests of NWD, CTF, CTFH, CTFC, CYTF and CYTF II in the issued share capital of the Company would increase to approximately 77.66%. In the opinion of the Directors, such increase will not give rise to mandatory offer in accordance with Rule 26 of the Takeovers Code. The Directors do not intend to repurchase Shares to such an extent that the public float will fall below 25%.

SHARE PRICES

The highest and lowest traded prices for Shares recorded on the Stock Exchange during each of the previous twelve months up to and including the Latest Practicable Date were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2011		
October	1.997*	1.577*
November	1.830	1.580
December	1.910	1.530
2012		
January	1.970	1.560
February	2.150	1.860
March	2.120	1.820
April	2.430	1.880
May	2.900	2.280
June	3.260	2.480
July	3.310	2.820
August	3.230	2.450
September	3.010	2.490
October (up to and including the Latest Practicable Date)	3.290	2.960

* *The prices have been adjusted for the rights issue of the Company completed in December 2011.*

SHARE PURCHASES MADE BY THE COMPANY

No purchase of Shares has been made by the Company in the previous six months preceding the date of this circular (whether on the Stock Exchange or otherwise).