

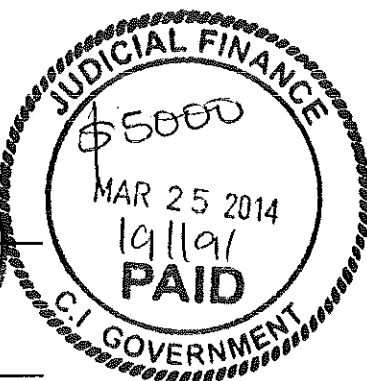
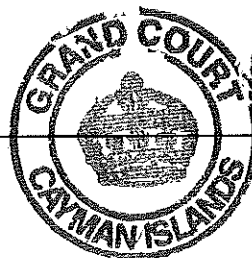
IN THE GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION

CAUSE NO. FSD 0023
OF 2014

IN THE MATTER of Section 86 of the Companies Law (2013 Revision)
AND IN THE MATTER of New World China Land Limited



PETITION



To: The Grand Court of the Cayman Islands

THE HUMBLE PETITION OF NEW WORLD CHINA LAND LIMITED of PO Box 309, Uglan House, Grand Cayman, KY1-1104, Cayman Islands (hereinafter referred to as the "**Company**") shows that:

1 **Introduction**

1.1 The objects of this Petition are to seek:

- (a) the sanction of the Court pursuant to section 86 of the Companies Law (2013 Revision) (the "**Companies Law**") to a proposed Scheme of Arrangement (the "**Scheme**") between the Company and the holders of the Scheme Shares, as defined in the Scheme and as set out at paragraph 5.1 below; and
- (b) the confirmation of the Court, pursuant to section 16 of the Companies Law, of the intended resolution of the Company's shareholders to reduce the Company's share capital to give effect to the Scheme, which is intended to be passed by the Company's shareholders as a special resolution as further set out at paragraph 8.2 below.

This PETITION was issued on behalf of the Petitioner by Maples and Calder, whose address for service is Po Box 309, Uglan House, South Church Street, George Town, Grand Cayman, KY1-1104, Cayman Islands, Attorneys-at-Law for the Petitioner (Attn: CDM/CJM/JPT/689945-000002/30979928v1)

2 Incorporation, Objects and Share Capital

- 2.1 On 28 August 1996 the Company was incorporated with the name New World China Limited as an exempted company limited by shares pursuant to the Companies Law. The Company changed its name to New World China Land Limited on 14 April 1999. The registered office of the Company is and has always been situated at PO Box 309, Uglan House, Grand Cayman KY1-1104, Cayman Islands. The Company's principal place of business is at 9/F, New World Tower 1, 18 Queen's Road Central, Hong Kong.
- 2.2 The objects for which the Company was established are unrestricted, and generally to carry out the objects more particularly described in its Memorandum of Association. The Company is the flagship property arm of NWDCL (defined below) in the People's Republic of China ("PRC") and is one of the large-scale national developers in the PRC with unaudited consolidated total assets of approximately HK\$124.1 billion as at 31 December 2013. The Company and its subsidiaries develop property projects for sale; develop and manage investment properties for rental purposes, and operate resort and hotel projects.
- 2.3 The authorised share capital of the Company is HK\$3,000,000,000 divided into 30,000,000,000 shares of a single class with a par value of HK\$0.10 each. As at 21 March 2014 the issued share capital of the Company is HK\$867,823,291.20 divided into 8,678,232,912 shares of HK\$0.10 each, all of which are fully paid. Since July 1999 the issued shares of the Company have been listed and traded on the Main Board of The Stock Exchange of Hong Kong Limited (the "HK Stock Exchange").

3 Shareholder Profile

- 3.1 The profile of the Company's shareholders, as at 21 March 2014, is as follows:
- (a) New World Development Company Limited ("NWDCL"), a company incorporated in Hong Kong and listed on the Main Board of the HK Stock Exchange, is beneficially interested in approximately 65.93% of the Company's issued shares.

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- (b) Easywin Enterprises Corporation Limited ("**Easywin**"), a company incorporated in Hong Kong and a direct wholly-owned subsidiary of NWDCL, is beneficially interested in approximately 2.94% of the Company's issued shares.
- (c) HKSCC Nominees Limited ("**HKSCC Nominees**"), a company incorporated in Hong Kong, is the registered holder of 3,292,218,864 of the Company's issued shares, comprising 37.94% of the Company's issued shareholdings. These shares registered in the name of HKSCC Nominees are inclusive of 707,965,783 shares of the Company beneficially owned by NWDCL and 18,000,000 shares of the Company beneficially owned by Easywin. HKSCC Nominees acts as a common nominee in respect of securities held through the Central Clearing and Settlement System depository in Hong Kong. It is not known how many entities have beneficial interests in the shares of the Company registered in HKSCC Nominee's name.
- (d) As of the 21 March 2014, the remaining 134,960,460 shares of the Company, representing approximately 1.56% of the Company's issued shares, are registered in the names of some 1,051 shareholders.

3.2 The number of shares of the Company in issue is likely to fluctuate between the date of this Petition and the date of the sanction of the Scheme as a result of normal trading of the shares and any exercise of the Options (as defined below).

4 **Convertible Securities**

Options

4.1 As of 21 March 2014 the Company had 34,394,078 share options in issue, all of which were granted under share option schemes adopted by the Company on 26 November 2002 and 22 November 2011 respectively (the "**Options**"). Of these Options, 19,747,758 have not yet vested as of the date hereof. Upon exercise, each Option permits the holder to subscribe for one share of the Company.

- 4.2 The Options will be dealt with in accordance with their terms of issue, and therefore they do not form part of the Scheme, although, pursuant to the terms of issue of the Options, the Options would be affected by the Scheme if it is sanctioned and becomes effective. In this regard:
- (a) Any Options that are exercised and which result in the issuance of shares of the Company prior to the Scheme being sanctioned shall be subject to the Scheme.
 - (b) Any Options that have not been exercised will be the subject of an offer by Easywin under Rule 13 of the Code on Takeovers and Mergers of Hong Kong ("**Rule 13 Offer**"), which offer is conditional upon the Scheme being implemented. Holders of Options who accept the Rule 13 Offer and adhere to the terms thereof will be entitled to receive a cash settlement sum for each Option.
 - (c) Options that are not exercised prior to the Scheme becoming effective and in relation to which the Rule 13 Offer is not accepted will lapse.
 - (d) If the Scheme does not become effective, the Options would remain unaffected and would continue to be dealt with by the Company and the holders thereof in accordance with the terms of the Share Option Schemes.
- 4.3 The number of Options the Company has in issue is likely to fluctuate between the date of this Petition and the date the Scheme is sanctioned as a result of option holders exercising their options and converting the same to shares of the Company.
- 4.4 The Company does not have any other options, derivatives, warrants or convertible securities in issue.

5 Object and Mechanics of the Scheme

5.1 The object of the Scheme is for the Company to become wholly owned by NWDCL, whether directly and indirectly through Easywin, which would be achieved by:

- (a) the Company reducing its share capital by the cancellation and extinguishment of all of its issued shares other than those issued shares registered in the respective names of NWDCL and Easywin (the "**Scheme Shares**");
- (b) the Company, forthwith upon the said share capital reduction taking effect, increasing its share capital to its former amount by the issue of the same number of new shares to Easywin as the number of Scheme Shares cancelled and extinguished; and
- (c) the Company applying the credit arising in its books of account as a result of the share capital reduction in paying up in full at par the newly shares issued to Easywin.

5.2 In consideration for the cancellation and extinguishment of the Scheme Shares, each holder of Scheme Shares ("**Scheme Shareholder**") will receive from Easywin HK\$6.80 for every Scheme Share held:

5.3 Upon the Scheme being sanctioned, the listing of the shares of the Company on the HK Stock Exchange would be withdrawn.

6 Affected Shareholders

The Scheme affects a single class of shareholders of the Company, being the Scheme Shareholders.

7 Court Meeting

7.1 It is intended that a single meeting of Scheme Shareholders be convened for the purpose of allowing such Scheme Shareholders to consider and, if they think fit, approve the Scheme (the "**Court Meeting**").

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7.2 The resolution intended to be submitted at the Court Meeting is:

"THAT this Court Meeting approves, without modification, the proposed Scheme of Arrangement, a print of which has been submitted to this Court Meeting and, for the purpose of identification, signed by the Chairman of this Court Meeting."

7.3 It is intended that each Scheme Shareholder that votes at the Court Meeting, whether in person or by proxy, shall be:

- (a) counted as a single shareholder for the purpose of the calculation of the "majority in number" under section 86(2) of the Companies Law ("**Law**"); and
- (b) entitled to vote shares both "for" and "against" the Scheme, and that any Scheme Shareholder who does so, for the purpose of the calculation of the "majority in number" component of the statutory threshold under section 86(2) of the Law, will be counted as a single shareholder voting "for" the Scheme and a single shareholder voting "against" the Scheme.

7.4 Certain Scheme Shareholders have agreed not to vote at the Court Meeting because they are, or are deemed to be, acting in concert with Easywin pursuant to Hong Kong's Takeovers Code, which prohibits such "concert parties" from participating in the voting. These "concert parties" are comprised of:

- (a) High Earnings Holdings Ltd., a company incorporated in the British Virgin Islands and a wholly owned subsidiary of NWS Holdings Limited, a company incorporated in Bermuda, being a non-wholly owned subsidiary of NWDCL. High Earnings Holdings Ltd. is the registered holder of 93,073,738 shares of the Company.
- (b) Great Worth Holdings Ltd., a company incorporated in the British Virgin Islands and a non-wholly owned subsidiary of NWDCL. Great Worth Holdings Limited is the registered holder of 22,508,064 shares of the Company.

- (c) The Hongkong and Shanghai Banking Corporation Limited ("HSBC"), which is the financial adviser to Easywin in connection with the Scheme. HSBC is beneficially interested in 672,557 shares of the Company.
- (d) Dr. Cheng Kar-Shun, Henry, an executive director of NWDCL and an executive director of the Company. Dr. Cheng is beneficially interested in 151,983,526 shares of the Company and holds in 2,077,922 Options, of which 1,662,336 are vested.
- (e) Mr. Cheng Kar-Shing, Peter, a non-executive director of NWDCL and an executive director of the Company. Mr. Cheng is beneficially interested in 755,961 shares of the Company and holds 831,169 Options, of which 664,936 are vested.
- (f) Ms. Cheng Chi-Man, Sonia, an executive director of NWDCL and an executive director of the Company. Ms. Cheng is beneficially interested in 953,669 shares of the Company.
- (g) Mr. Lee Luen-Wai, John, an independent non-executive director of NWDCL and an independent non-executive director of the Company. Mr. Lee is beneficially interested in 387,448 shares of the Company and holds 311,688 Options, of which 249,352 are vested.
- (h) Mr. Doo Wai-Hoi, William, a non-executive director of NWDCL. Mr. Doo is beneficially interested in 2,571,663 shares of the Company.
- (i) Mr. William Junior Guilherme Doo, the son of Mr. Doo Wai-Hoi, William. Mr. Doo (Junior) is beneficially interested in 517,500 shares of the Company.
- (j) Ms. Ki Man-Fung, Leonie, an executive director of NWDCL. Ms. Ki is beneficially interested in 45,000 shares of the Company.

8 **Capital Reduction**

8.1 Clause 6 of the Company's Memorandum of Association and Article 63(iii)(b) of the Company's Articles of Association provide the Company may, by special resolution, reduce its share capital in any manner authorised and subject to any conditions prescribed by the Companies Law.

8.2 The Company intends to convene an Extraordinary General Meeting ("EGM") to take place immediately after the Court Meeting. The special resolution and ordinary resolution intended to be submitted to the EGM are as follows:

"THAT AS A SPECIAL RESOLUTION:

- (A) the scheme of arrangement dated [] 2014 (the "Scheme") between the Company and the holders of Scheme Shares (as defined in the Scheme) in the form of the print thereof which has been produced to this meeting and, for the purpose of identification, signed by the chairman of this meeting, subject to any modifications, additions or conditions as may be approved or imposed by the Grand Court of the Cayman Islands, be and is hereby approved; and*
- (B) for the purpose of giving effect to the Scheme, on the Effective Date, (as defined in the Scheme), the issued share capital of the Company shall be reduced by canceling and extinguishing the Scheme Shares."*

"THAT AS AN ORDINARY RESOLUTION:

- (C) subject to and forthwith upon such reduction of capital taking effect, the share capital of the Company will be increased to its former amount by issuing to Easywin Enterprises Corporation Limited the same number of shares as the number of Scheme Shares cancelled and extinguished;*
- (D) the Company shall apply the credit arising in its books of account as a result of the capital reduction referred to in paragraph (B) above in paying up in full at par the new shares issued, credited as fully paid, to Easywin Enterprises*

Corporation Limited and the directors of the Company be and are hereby authorised to allot and issue the same accordingly;

(E) any one of the directors of the Company be and is hereby authorised to do all acts and things considered by him/her to be necessary or desirable in connection with the implementation of the Scheme, including (without limitation) the giving of consent to any modification of, or addition to, the Scheme, which the Grand Court of the Cayman Islands may see fit to impose; and

(F) any one of the directors of the Company be and is hereby authorised to apply to The Stock Exchange of Hong Kong Limited for the withdrawal of the listing of the shares of the Company."

8.3 The reduction of the Company's share capital intended to be effected by the said special resolution would neither involve the diminution of liability in respect of any unpaid share capital nor the payment to any shareholder of any paid up capital.

8.4 The form of minute proposed to be registered with the Cayman Islands Companies Registrar is as follows:

"The share capital of New World China Land Limited was by virtue of a special resolution of the Company dated [] 2014 (the "Special Resolution") and with the confirmation of an order of the Grand Court of the Cayman Islands dated [] 2014 (the "Order") reduced from HK\$[] represented by an authorised share capital of HK\$3,000,000,000.00 divided into 30,000,000,000 shares of HK\$0.10 each (of which [] shares had been issued and fully paid) to HK\$[] represented by an authorised share capital of HK\$3,000,000,000.00 divided into 30,000,000,000 shares of HK\$0.10 each (of which [] shares have been issued and fully paid). An ordinary resolution of the Company dated [] 2014 (the "Ordinary Resolution") further provides that subject to and forthwith upon such reduction of capital taking effect, the share capital of the Company be increased to its former amount of HK\$[] by the issue of [] shares of HK\$0.10 each.

By virtue of a Scheme of Arrangement sanctioned by an order of the Grand Court of the Cayman Islands dated [] 2014, the Order, the Special Resolution and the Ordinary Resolution, the capital of the Company at the time of the registration of this minute is accordingly HK\$[] divided into [] shares of HK\$0.10 each."

9 Application

9.1 The Company intends to make an application for, amongst other things, orders and directions:

- (a) that the relevant class of shareholders of the Company affected by the Scheme is that referred to at paragraph 6 above;
- (b) that the Company be at liberty to convene the Court Meeting referred to at paragraph 7.1 above;
- (c) as to the mode of delivery of, amongst other things, an explanatory memorandum and proxy form to, amongst others, the holders of Scheme Shares; and
- (d) as to the appointment of a chairman of the Court Meeting, and for directions that the chairman of the Court Meeting should report the result thereof to the Court.

YOUR PETITIONER, THE COMPANY, THEREFORE HUMBLY PRAYS:

- 1 That the Scheme be sanctioned by the Court so as to be binding on the Company and the holders of the Scheme Shares.
- 2 That the reduction of the share capital of the Company proposed to be effected by the special resolution set out at paragraph 8.2 above be confirmed and that the form of minute set out at paragraph 8.4 above be approved by the Court.
- 3 That, to this end, all necessary inquiries may be made and directions may be made and given.

This PETITION was issued on behalf of the Petitioner by Maples and Calder, whose address for service is Po Box 309, Uglund House, South Church Street, George Town, Grand Cayman, KY1-1104, Cayman Islands, Attorneys-at-Law for the Petitioner (Attn: CDM/CJM/JPT/689945-000002/30979928v1)

4 Such further or other relief as the Court shall see fit.

Dated this 25 day of March 2014

Maples and Calder

MAPLES and CALDER

Note: It is not intended that this Petition be served on anyone.

This PETITION was issued on behalf of the Petitioner by Maples and Calder, whose address for service is Po Box 309, Uglan House, South Church Street, George Town, Grand Cayman, KY1-1104, Cayman Islands, Attorneys-at-Law for the Petitioner (Attn: CDM/CJM/JPT/689945-000002/30979928v1)

ENDORSEMENT

This Petition has been presented to the Grand Court of the Cayman Islands on the day of
2014 and will be heard by the Grand Court of the Cayman Islands on the day of 2014
at a.m. / p.m. in the fore/after noon (or as soon thereafter as the Petition can be heard).

This PETITION was issued on behalf of the Petitioner by Maples and Calder, whose address for service is Po Box 309, Uglan House, South Church Street, George Town, Grand Cayman, KY1-1104, Cayman Islands, Attorneys-at-Law for the Petitioner (Attn: CDM/CJM/JPT/689945-000002/30979928v1)