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**CHINA NEW WAY
INVESTMENT LIMITED**

*(Incorporated in Hong Kong with
limited liability)*

**CHUN WO DEVELOPMENT
HOLDINGS LIMITED**

(Incorporated in Bermuda with limited liability)
(Stock Code: 00711)

JOINT ANNOUNCEMENT

**DESPATCH OF COMPOSITE DOCUMENT RELATING TO
UNCONDITIONAL MANDATORY CASH GENERAL OFFERS BY**



**FOR AND ON BEHALF OF CHINA NEW WAY INVESTMENT LIMITED
TO ACQUIRE ALL THE ISSUED SHARES (OTHER THAN THOSE
ALREADY OWNED OR AGREED TO BE ACQUIRED BY
CHINA NEW WAY INVESTMENT AND PARTIES ACTING IN CONCERT
WITH IT), AND TO CANCEL ALL THE OUTSTANDING SHARE OPTIONS
OF CHUN WO DEVELOPMENT HOLDINGS LIMITED**

**Financial Adviser to China New Way Investment Limited
in respect of the Listco Offers**



**Independent Financial Adviser to
the Independent Board Committee, the Independent Shareholders
and the Optionholders**



The Composite Document together with the Forms of Acceptance will be despatched to the Independent Shareholders and Optionholders on Friday, 2 January 2015 in accordance with the Takeovers Code. The Listco Offers will be open for acceptance on and from Friday, 2 January 2015 and the latest time and date for acceptance of the Listco Offers is 4:00 p.m. on Friday, 23 January 2015 (unless revised or extended in accordance with the Takeovers Code). An expected timetable is set out below in this joint announcement.

Independent Shareholders and the Optionholders are strongly advised to read the Composite Document carefully, including the recommendation from the Independent Board Committee and the advice from the Independent Financial Adviser, and other information of the Group before deciding whether or not to accept the Listco Offers.

Independent Shareholders and/or potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

References are made to (i) the joint announcement issued by the Offeror, Well Perfection Limited and the Company dated 20 October 2014 in relation to, among other things, the Sale and Purchase Agreement, the Subscription Agreement, the Group Restructuring, the Share Premium Reduction, the Distribution In Specie and the Bond Extension; (ii) the circular issued by the Company dated 26 November 2014 containing, among other things, details of the Subscription Agreement, the Share Premium Reduction, the Distribution In Specie, the Bond Extension, the GT Winners Loan and the respective transactions contemplated thereunder, including the issue of the Convertible Bonds and the allotment and issue of the Subscription Share and the Conversion Shares under the Specific Mandate, the financial information of the Group and Privateco Group, pro forma financial information of the Remaining Group and the Privateco Group, the letter of recommendation from the Independent Board Committee and the letter of advice from the Independent Financial Adviser to the Independent Board Committee, the Independent Shareholders and the Optionholders regarding the Share Premium Reduction, the Distribution In Species, the Bond Extension, the GT Winners Loan, the Subscription Agreement, and the respective transactions contemplated thereunder; and (iii) the composite offer and response document to be jointly issued by the Offeror and the Company dated 2 January 2015 (the “**Composite Document**”). Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Composite Document.

DESPATCH OF COMPOSITE DOCUMENT

The Composite Document containing, among other things, (i) expected timetable in respect of the Listco Offers; (ii) a letter from the Board; (iii) a letter from Octal Capital; (iv) a letter of recommendation from the Independent Board Committee; and (v) a letter of advice from Halcyon Capital, together with the Forms of Acceptance, will be despatched to the Independent Shareholders and the Optionholders on Friday, 2 January 2015 in accordance with the Takeovers Code. The Listco Offers will be open for acceptance on and from Friday, 2 January 2015 and the latest time and date for acceptance of the Listco Offers is 4:00 p.m. on Friday, 23 January 2015 (unless revised or extended in accordance with the Takeovers Code).

EXPECTED TIMETABLE

The expected timetable set out below is indicative only and may be subject to change. Further announcement(s) will be made in the event of any changes to the timetable as and when appropriate. All time and date references contained in this Composite Document refer to Hong Kong time and dates.

Event	Time & Date
Despatch date of Composite Document (<i>Note 1</i>)	Friday, 2 January 2015
Listco Offers open for acceptance	Friday, 2 January 2015
Latest time and date for acceptance of Listco Offers (<i>Note 2</i>)	4:00 p.m. on Friday, 23 January 2015
Listco Offers Closing Date (<i>Note 2</i>)	Friday, 23 January 2015
Announcement of the results of the Listco Offers or as to whether the Listco Offers have been revised or extended on the website of the Stock Exchange (<i>Note 2</i>)	not later than 7:00 p.m. on Friday, 23 January 2015
Latest date for posting of remittance for the amounts due under the Listco Offers in respect of valid acceptances received on or before the latest time for acceptance of the Listco Offers (<i>Note 3 and 4</i>)	Tuesday, 3 February 2015

Notes:

- (1) *The Listco Offers, which are unconditional, are made on the date of posting of this Composite Document, and are capable of acceptance on and from that date until the Listco Offers Closing Date.*
- (2) *The latest time for acceptance of the Listco Offers is 4:00 p.m. on Friday, 23 January 2015. The Listco Offers, which are unconditional, will be closed on Friday, 23 January 2015. The Offeror will issue an announcement no later than 7:00 p.m. on Friday, 23 January 2015 as to whether the Listco Offers have been revised, extended or expired and, in relation to any revision or extension of the Listco Offers, to state either the next closing date or that the Listco Offers will remain open until further notice. In the event that the Offeror decides to extend the Listco Offers and the announcement does not specify the next closing date, at least 14 days' notice by way of an announcement will be given before the Listco Offers are closed to those Shareholders and Optionholders who have not accepted the Listco Offers.*
- (3) *Remittances in respect of the cash consideration (after deducting the seller's ad valorem stamp duty in respect of acceptances of the Share Offer) payable for the Offer Shares and the Share Options under the Listco Offers will be posted to the accepting Shareholders and Optionholders by ordinary post at their own risk as soon as possible, but in any event within 7 Business Days of the date of receipt by the Registrar and the company secretary of the Company of all the relevant documents of title to render the acceptance by such Shareholders and Optionholders respectively under the Listco Offers complete and valid.*

Acceptance of the Listco Offers shall be irrevocable and not capable of being withdrawn, except in the circumstances as set out in the paragraph headed "6. Right of Withdrawal" in Appendix I to the Composite Document.

- (4) *If there is a tropical cyclone warning signal number 8 or above, or a black rainstorm warning:*
- (a) *in force in Hong Kong at any local time before 12:00 noon but no longer in force after 12:00 noon on the latest date for acceptance of the Share Offer and the latest date for posting of remittances for the amounts due under the Share Offer in respect of valid acceptances, the latest time for acceptance of the Share Offer and the posting of remittances will remain at 4:00 p.m. on the same Business Day;*
 - (b) *in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the latest date for acceptance of the Share Offer and the latest date for posting of remittances for the amounts due under the Share Offer in respect of valid acceptances, the latest time for acceptance of the Share Offer and the posting of remittances will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m.*

Save as mentioned above, if the latest time for the acceptance of the Share Offer and the posting of remittances do not take effect on the date and time as stated above, the other dates mentioned above may be affected. The Offeror and the Company will notify the Shareholders by way of announcement(s) on any change to the expected timetable as soon as practicable.

IMPORTANT

Independent Shareholders and the Optionholders are strongly advised to read the Composite Document carefully, including the recommendation from the Independent Board Committee and the advice from the Independent Financial Adviser, and other information of the Group before deciding whether or not to accept the Listco Offers.

Independent Shareholders and/or potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By Order of the board of
**CHINA NEW WAY
INVESTMENT LIMITED**
Xu Jianhua
Director

By Order of the Board
**CHUN WO DEVELOPMENT
HOLDINGS LIMITED**
Pang Yat Ting, Dominic
Chairman

Hong Kong, 2 January 2015

As at the date of this joint announcement, the executive directors of the Company are Mr. Pang Yat Ting, Dominic, Mr. Pang Yat Bond, Derrick, Mr. Kwok Yuk Chiu, Clement and Madam Li Wai Hang, Christina and the independent non-executive directors of the Company are Mr. Au Son Yiu, Mr. Chan Chiu Ying, Alec, Mr. Hui Chiu Chung, Stephen JP and Mr. Lee Shing See GBS, OBE, JP.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Offeror, its associates and parties acting in concert with it), and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than the information relating to the Offeror, its associates and parties

acting in concert with it) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement contained in this joint announcement misleading.

As at the date of this joint announcement, Mr. Xu Jianhua is the sole director of the Offeror.

The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Group, the Vendor, its associates and parties acting in concert with it), and confirms, having made all reasonable enquires, that to the best of his knowledge, opinions expressed in this joint announcement (other than the information relating to the Group, the Vendor, its associates and parties acting in concert with them) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement contained in this joint announcement misleading.

The English text of this announcement shall prevail over its Chinese text.