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(Incorporated in the Cayman Islands with limited liability)

(HKSE Stock Code: 95)

(I) Special deal, connected transaction and discloseable transaction in relation to the acquisition of remaining interest of and the related shareholder's loan due from New Heritage Development Limited;

AND

(II) Special deal, connected transaction and very substantial disposal in relation to the disposal of the entire equity interest of and the related shareholder's loan due from Accordcity Limited;

AND

(III) Special deal, connected transaction and very substantial disposal in relation to the disposal of the entire equity interest of and the related shareholder's loan due from New Heritage Management Limited;

AND

(IV) Resumption of trading

Financial adviser to New Heritage Holdings Ltd.



THE NHDL ACQUISITION AGREEMENT

On 28 February 2014, NHCL (a wholly-owned subsidiary of the Company) and Onsite entered into the NHDL Acquisition Agreement pursuant to which Onsite conditionally agreed to sell, and NHCL conditionally agreed to acquire, the NHDL Sale Shares and the NHDL Loan at an aggregate cash consideration of HK\$72,919,000. The Group intends to satisfy the consideration for the NHDL Acquisition by using internal resources of the Group.

Completion of the NHDL Acquisition is subject to and conditional upon fulfillment of the conditions specified in the NHDL Acquisition Agreement as described under the paragraph headed "Conditions precedent to the NHDL Acquisition Agreement" under the section headed "The NHDL Acquisition Agreement" in this announcement.

THE ACCORDCITY DISPOSAL AGREEMENT

On 28 February 2014, Highmind and NHCL entered into the Accordcity Disposal Agreement pursuant to which NHCL conditionally agreed to sell, and Highmind conditionally agreed to acquire, the Accordcity Sale Shares and the Accordcity Loan at an aggregate consideration of HK\$170,252,000, which is to be satisfied by Highmind by way of cash at the Completion Date.

Completion of the Accordcity Disposal is conditional upon fulfillment of the conditions specified in the Accordcity Disposal Agreement as described under the paragraph headed “Conditions precedent to the Accordcity Disposal Agreement” under the section headed “The Accordcity Disposal Agreement” in this announcement.

THE NHML DISPOSAL AGREEMENT

On 28 February 2014, Gavett and NHCL entered into the NHML Disposal Agreement pursuant to which NHCL conditionally agreed to sell, and Gavett conditionally agreed to acquire, the NHML Sale Share and the NHML Loan at an aggregate consideration of HK\$23,210,000, which is to be satisfied by Gavett by way of cash at the Completion Date.

Completion of the NHML Disposal is conditional upon fulfillment of the conditions specified in the NHML Disposal Agreement and as described under the paragraph headed “Conditions precedent to the NHML Disposal Agreement” under the section headed “The NHML Disposal Agreement” in this announcement.

TAKEOVERS CODE AND THE LISTING RULES IMPLICATIONS

NHDL Acquisition

Each of AFH and AICL are Shareholders, holding 22,727,272 Shares and 9,090,909 Shares respectively, as at the date of this announcement. Each of AFH and AICL is also holders of the Convertible Notes, holding a principal amount of HK\$25 million and HK\$15 million respectively, the aggregate amount of which constitutes the entire outstanding principal amount of the Convertible Notes. AICL is a wholly-owned subsidiary of AFH. As disclosed in the section headed “Information of Onsite” in this announcement, AFH beneficially owns 70% interest of Onsite. Given Onsite owns all the assets under the NHDL Acquisition (i.e. the NHDL Sale Shares and the NHDL Loan), the NHDL Acquisition is not capable of being extended to all other Shareholders. Accordingly, the NHDL Acquisition constitutes a special deal under Rule 25 of the Takeovers Code, which requires the consent of the Executive and such consent, if granted, will be conditional upon (i) Ample Capital, as the independent financial adviser to the Independent Board Committee, publicly stating that in its opinion, the terms of the special deal are fair and reasonable; and (ii) the approval of the Independent Shareholders voting by way of poll at a general meeting of the Company.

As one or more of the applicable percentage ratio(s) calculated in accordance with Chapter 14 of the Listing Rules in respect of the NHDL Acquisition is more than 5% but less than 25%, the NHDL Acquisition constitutes a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules. Since Onsite is controlled by the associates of Mr. Chan Bernard Charnwat, the non-executive Director, Onsite is a connected person of the Company. Thus, the NHDL Acquisition constitutes a non-exempt connected transaction of the Company and is subject to the Independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules.

Disposals

Given Highmind and Gavett, being the respective purchasers under each of the Accordcity Disposal Agreement and the NHML Disposal Agreement, are companies owned or controlled by the Controlling Shareholders, the Disposals are not capable of being extended to all other Shareholders. Accordingly, the Disposals constitute special deals under Note 4 to Rule 25 of the Takeovers Code, which require the consent of the Executive and such consent, if granted, will be conditional upon (i) Ample Capital, as the independent financial adviser to the Independent Board Committee, publicly stating that in its opinion, the terms of the special deals are fair and reasonable; and (ii) the approval of the Independent Shareholders voting by way of poll at a general meeting of the Company.

As one or more of the applicable percentage ratio(s) calculated in accordance with Chapter 14 of the Listing Rules in respect of the Accordcity Disposal is more than 75%, the Accordcity Disposal constitutes a very substantial disposal of the Company and is therefore subject to the reporting and announcement, and Shareholders' approval requirements under Chapter 14 of the Listing Rules. Although all of the applicable percentage ratio(s) calculated in accordance with Chapter 14 of the Listing Rules in respect of the NHML Disposal are less than 5%, given both Highmind and Gavett are companies owned or controlled by the Controlling Shareholders, the Accordcity Disposal and the NHML Disposal are aggregated pursuant to Rule 14.22 of the Listing Rules. Therefore, each of the Accordcity Disposal and the NHML Disposal constitutes a very substantial disposal of the Company and is therefore subject to the reporting and announcement, and Shareholders' approval requirements under Chapter 14 of the Listing Rules. As both Highmind and Gavett are companies owned or controlled by the Controlling Shareholders, they are connected persons of the Company. Thus, the Disposals constitute non-exempt connected transactions of the Company and are subject to the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As entering into the NHDL Acquisition Agreement, the Accordcity Disposal Agreement and the NHML Disposal Agreement is one of the Conditions to the Share Sale Agreement and completion of these agreements shall take place simultaneously with S&P Completion (i.e. the NHDL Acquisition Agreement, the Accordcity Disposal Agreement, the NHML Disposal Agreement and the Share Sale Agreement are inter-conditional to each other), the Vendors, Onsite, AFH, AICL, and their respective associates and parties acting in concert with any of them and those who are involved in or interested in the Transactions shall abstain from voting at the EGM in respect of the resolution relating to the NHDL Acquisition Agreement, the Accordcity Disposal Agreement and the NHML Disposal Agreement and their respective transactions contemplated thereunder. Mr. Taochaifu Choofuang, Mr. Tao Richard and Mr. Tao Paul, the executive Directors, and Mr. Chan Bernard Charnwut, the non-executive Director, have interests in the outcome of the Transactions and the Offers (as the case may be), and thus have abstained from voting on the board resolutions in relation to the Transactions.

An application will be made by the Company to the Executive for the consent under Rule 25 of the Takeovers Code in relation to the Transactions.

GENERAL

Independent Board Committee

The Independent Board Committee, comprising all the independent non-executive Directors, namely Mr. Wong Gary Ka Wai, Mr. Sun Leland Li Hsun and Mr. Chan Norman Enrique, each of whom has no direct or indirect interest in the Transactions and the Offers has been established. Given Onsite (being the vendor of the NHDL Acquisition) is an associate of Mr. Chan Bernard Charnwut, the non-executive Director, Mr. Chan has an indirect interest in the outcome of the

NHDL Acquisition and the Offers, and thus Mr. Chan is excluded from the Independent Board Committee. The Independent Board Committee will, among others, consider and advise the Independent Shareholders as to the fairness and reasonableness of the terms of the NHDL Acquisition Agreement, the Accordcity Disposal Agreement and the NHML Disposal Agreement.

Appointment of Independent Financial Adviser

Ample Capital has been appointed by the Company to act as the independent financial adviser to the Independent Board Committee to advise on the terms of the NHDL Acquisition Agreement, the Accordcity Disposal Agreement and the NHML Disposal Agreement. The appointment of Ample Capital has been approved by the Independent Board Committee.

Circular to the Shareholders

The Circular setting out, inter alia, (i) details of the NHDL Acquisition Agreement, the Accordcity Disposal Agreement and the NHML Disposal Agreement; (ii) the respective letters of advice from the Independent Board Committee and Ample Capital in respect of the NHDL Acquisition Agreement, the Accordcity Disposal Agreement and the NHML Disposal Agreement; and (iii) a notice of the EGM will be sent to the Shareholders. As additional time is required to prepare the financial information as required to be included in the Circular (including the indebtedness statement of the Group) pursuant to the Listing Rules, the Circular is expected to be dispatched to the Shareholders on or before 17 April 2014.

SUSPENSION AND RESUMPTION OF TRADING IN THE SHARES

Trading in the Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on 3 March 2014 at the request of the Company pending the release of this announcement. Application has been made by the Company for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 14 March 2014.

Reference is made to the Joint Announcement dated 13 February 2014 jointly issued by the Company and the Offeror in respect of, among others, the Share Sale Agreement. Pursuant to the Share Sale Agreement, the Vendors have conditionally agreed to sell and the Offeror has conditionally agreed to purchase 858,800,792 Shares, representing approximately 64.83% of all the Shares in issue as at the date of the Share Sale Agreement. Upon the S&P Completion, the Offeror will be required to make a mandatory unconditional cash offer for all the issued Shares and a comparable offer for all the Convertible Notes, other than those already owned by or agreed to be acquired by the Offeror, Mr. Wong, who is the sole beneficial owner and the sole director of the Offeror, and parties acting in concert with any of them and for cancellation of all the outstanding Options.

As one of the Conditions to the Share Sale Agreement, (i) NHCL (being a wholly-owned subsidiary of the Company) shall enter into the NHDL Acquisition Agreement with Onsite in relation to the NHDL Acquisition; and (ii) NHCL shall enter into the Disposal Agreements with one company or two respective companies designated by the Warrantor in relation to the Disposals. Completion of the Share Sale Agreement shall take place simultaneously with the completion of the NHDL Acquisition Agreement, the Accordcity Disposal Agreement and the NHML Disposal Agreement.

On 28 February 2014, the relevant parties entered into the NHDL Acquisition Agreement in respect of the NHDL Acquisition, and the Accordcity Disposal Agreement and the NHML Disposal Agreement in respect of the Disposals.

Set out below are the principal terms of the NHDL Acquisition Agreement, the Accordcity Disposal Agreement and the NHML Disposal Agreement:–

(1) THE NHDL ACQUISITION AGREEMENT

Date

28 February 2014

Parties

- (i) NHCL, a wholly-owned subsidiary of the Company, being the purchaser; and
- (ii) Onsite, being the vendor

Assets to be acquired

Pursuant to the NHDL Acquisition Agreement, Onsite conditionally agreed to sell and NHCL conditionally agreed to purchase (i) the NHDL Sale Shares, being 15 NHDL Shares, representing approximately 9.615% shareholding interest in NHDL; and (ii) the NHDL Loan, being a non-interest bearing shareholder's loan due and owing by NHDL to Onsite in a sum of HK\$26,460,000 as at the date of the NHDL Acquisition Agreement.

NHDL Acquisition Consideration

Pursuant to the NHDL Acquisition Agreement, the consideration for the NHDL Acquisition is HK\$72,919,000 in aggregate (apportioned as to HK\$46,459,000 for the NHDL Sale Shares and as to HK\$26,460,000 for the NHDL Loan), which shall be satisfied by the Company by way of cash at the Completion Date. As the amount of the NHDL Loan has been fixed as at the date of the NHDL Acquisition Agreement and remains unchanged during the period from the date of the NHDL Acquisition Agreement to the Completion Date, no dollar-to-dollar adjustment is required for the consideration for the NHDL Loan.

Conditions precedent to the NHDL Acquisition Agreement

Completion of the NHDL Acquisition shall be subject to and conditional upon the fulfillment of the following conditions in full:

- (a) all conditions precedent to the completion of the Share Sale Agreement (save for the condition requiring the NHDL Acquisition Agreement and the Disposal Agreements to become unconditional) having been fulfilled and/or waived in accordance with the Share Sale Agreement and the completion of the NHDL Acquisition Agreement taking place simultaneously with completion of the Share Sale Agreement and the Disposal Agreements;
- (b) all conditions precedent to the completion of the Accordcity Disposal Agreement (save for the conditions requiring the NHDL Acquisition Agreement, the NHML Disposal Agreement and the Share Sale Agreement to become unconditional) having been fulfilled and/or waived in accordance with the Accordcity Disposal Agreement;
- (c) all conditions precedent to the completion of the NHML Disposal Agreement (save for the conditions requiring the NHDL Acquisition Agreement, the Accordcity Disposal Agreement and the Share Sale Agreement to become unconditional) having been fulfilled and/or waived in accordance with the NHML Disposal Agreement;

- (d) approval by the Independent Shareholders of the NHDL Acquisition Agreement and all transactions contemplated thereunder in compliance with the applicable Takeovers Code, Listing Rules and the articles of association of the Company having been obtained; and
- (e) all necessary consents or approvals from any third party (including but not limited to any consents or approvals from government authority, regulatory authority, the Stock Exchange and/or the SFC) in connection with the transactions contemplated under the NHDL Acquisition Agreement, including but not limited to the consent of the Executive in relation to special deal under Rule 25 of the Takeovers Code, having been obtained and that no government authority or any third party has proposed or taken any action which resulted in any prohibition or restriction on or delay in the performance and completion of the NHDL Acquisition Agreement and the transactions contemplated thereunder.

If the conditions precedent to the NHDL Acquisition Agreement have not been fulfilled on or before the Long Stop Date, either Onsite or NHCL may terminate the NHDL Acquisition Agreement, upon which no party to the NHDL Acquisition Agreement shall have any claims against the other party to the NHDL Acquisition Agreement, save in respect of any prior breaches of the NHDL Acquisition Agreement.

As at the date of the NHDL Acquisition Agreement, other than the approval of the Independent Shareholders and the consent of the Executive in relation to special deal under Rule 25 of the Takeovers Code as set out in conditions (d) and (e) above, the parties to the NHDL Acquisition Agreement did not identify other necessary consent the absence of which would affect the NHDL Acquisition Completion.

None of the conditions precedent to the NHDL Acquisition Agreement are waivable. As at the date of this announcement, none of the conditions precedent to the NHDL Acquisition Agreement have been fulfilled.

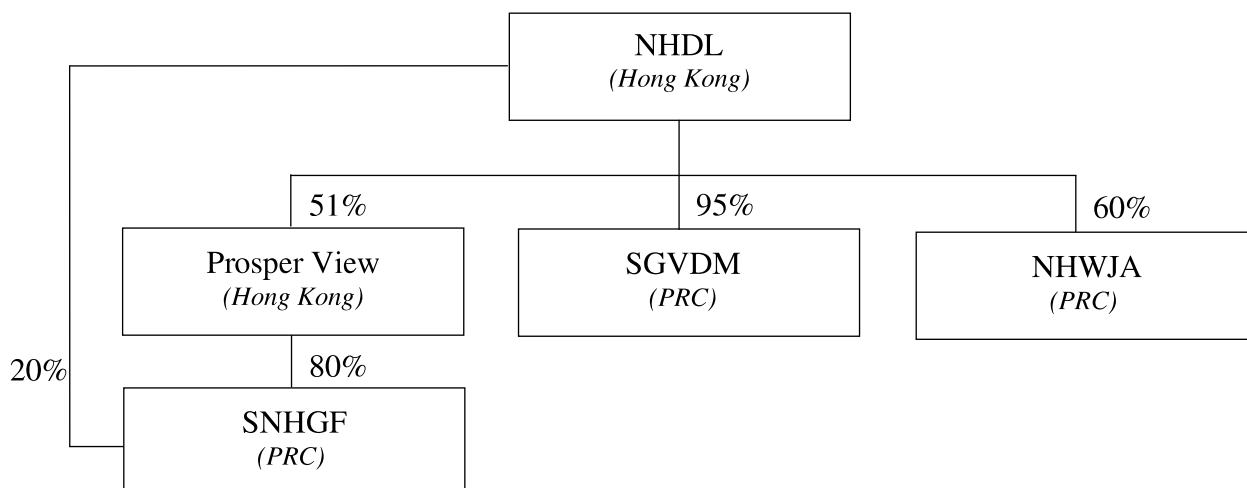
NHDL Acquisition Completion

Subject to the satisfaction of all the conditions precedent to the NHDL Acquisition Agreement, the NHDL Acquisition Completion shall take place on the Completion Date.

INFORMATION OF THE NHDL GROUP

NHDL was incorporated in Hong Kong on 4 April 1991 with limited liability. It is owned as to approximately 90.385% by NHCL (being a direct wholly-owned subsidiary of the Company) and approximately 9.615% by Onsite as at the date of this announcement. NHDL is principally engaged in investment holding, and its subsidiaries are principally engaged in property development and investment in Suzhou, the PRC. The principal assets of the NHDL Group are the NHDL Properties, which includes investment properties, properties held for sale and properties under development.

Set out below is the corporate structure of the NHDL Group as at the date of this announcement:–



Prosper View

Prosper View is a company incorporated in Hong Kong with limited liability on 17 August 2006 and owned as to 51% by NHDL and 49% by Independent Third Parties. Its principal business is investment holding, and it directly owns 80% interests in SNHGF, a wholly foreign-owned enterprise established in the PRC on 10 April 2007, whereas the remaining 20% interest in SNHGF is owned by NHDL directly. The principal business of SNHGF is property development and investment in Suzhou in the PRC, including the residential project of Taihu Garden Court.

SGVDM

SGVDM is a Sino-foreign co-operative joint venture enterprise established in the PRC on 19 September 1991 and owned as to 95% by NHDL and 5% by an Independent Third Party. Its principal business is property development and investment in Suzhou in the PRC, including the projects of Suzhou Garden Villa, Suzhou Garden Court, Suzhou Garden Place and Suzhou Garden Towers.

NHWJA

NHWJA is a wholly foreign-owned enterprise established in the PRC on 30 April 2008 and owned as to 60% by NHDL and 40% by Silk Dragon Limited, which is an indirect wholly-owned subsidiary of the Company. Its principal business is property development and investment in Suzhou in the PRC, including the project of Lakeside Garden Court.

The valuation report of the NHDL Properties setting out, among others, the fair value of the NHDL Properties, to be prepared by an independent valuer of the Group, will be disclosed in the Circular pursuant to the Listing Rules.

As at the date of this announcement, NHDL is a 90.385% owned indirect non-wholly owned subsidiary of the Company. Immediately upon the NHDL Acquisition Completion, NHDL will become an indirect wholly-owned subsidiary of the Company.

BASIS FOR THE NHDL ACQUISITION CONSIDERATION

The consideration for the NHDL Acquisition was arrived at after arm's length negotiations between the parties to the NHDL Acquisition Agreement and having taken into account various relevant factors, including (i) historical financial performance of the NHDL Group; (ii) the face value of the NHDL Loan of HK\$26,460,000; and (iii) the estimated fair value gain on the NHDL Properties with reference to the preliminary property valuation report of the NHDL Properties.

The Group intends to satisfy the consideration for the NHDL Acquisition by using internal resources of the Group. As disclosed in the interim report of the Company for the six months ended 30 June 2013, the Group has cash and cash equivalent of approximately HK\$381.02 million. The Group confirmed that it has sufficient internal resources to settle the consideration for the NHDL Acquisition of HK\$72,919,000.

INFORMATION OF ONSITE

Onsite is a company incorporated in the BVI and is beneficially owned as to 70% by AFH and 30% by Ultra Plan Ltd.. The principal activity of Onsite is investment holding, and it owns 9.615% equity interest in NHDL as at the date of this announcement.

AFH is a company whose shares are listed on the Stock Exchange (stock code: 662) and, together with its subsidiaries, it is principally engaged in the provision of insurance and investment services. Ultra Plan Ltd. is a company incorporated in the BVI with limited liability and owned by Mr. Sophonpanich Chali. Its principal business is investment holding. Both AFH and Ultra Plan Ltd. are deemed to be controlled by the associates of Mr. Chan Bernard Charnwut, who is the non-executive Director and an executive director of AFH. Accordingly, Onsite is controlled by the associates of Mr. Chan Bernard Charnwut and thus is a connected person of the Company under the Listing Rules.

AFH and its wholly-owned subsidiary, namely AICL, are the holders of the outstanding Convertible Notes in the aggregate principal amount of HK\$40 million and Shareholders holding a total of 31,818,181 Shares as at the date of this announcement.

The original costs for Onsite to acquire 9.615% interest in NHDL in June 2007 is HK\$45 million.

(2) THE ACCORDCITY DISPOSAL AGREEMENT

Date

28 February 2014

Parties

- (i) Highmind, being the purchaser; and
- (ii) NHCL, a wholly-owned subsidiary of the Company, being the vendor

Assets to be disposed of

Pursuant to the Accordcity Disposal Agreement, NHCL conditionally agreed to sell and Highmind conditionally agreed to purchase (i) the Accordcity Sale Shares, being the entire issued share capital of Accordcity; and (ii) the Accordcity Loan, being the outstanding sum due by Accordcity to NHCL as at the Completion Date, which is estimated to be HK\$76,100,000.

Accordcity Disposal Consideration

Pursuant to the Accordcity Disposal Agreement, the consideration for the Accordcity Disposal is HK\$170,252,000 in aggregate (apportioned as to HK\$94,152,000 for the Accordcity Sale Shares and as to HK\$76,100,000 for the Accordcity Loan), subject to a dollar-to-dollar adjustment to the consideration for the Accordcity Loan such that the consideration for the Accordcity Loan shall be equal to the face value of the actual Accordcity Loan at the Completion Date. The consideration for the Accordcity Disposal shall be satisfied by Highmind by way of cash at the Completion Date.

Conditions precedent to the Accordcity Disposal Agreement

Completion of the Accordcity Disposal is conditional upon the fulfillment of the following conditions:–

- (a) all conditions precedent to the completion of the Share Sale Agreement (save for the condition requiring the NHDL Acquisition Agreement and the Disposal Agreements to become unconditional) having been fulfilled and/or waived in accordance with the Share Sale Agreement, and completion of the Accordcity Disposal Agreement taking place simultaneously with completion of the Share Sale Agreement, the NHDL Acquisition Agreement and the NHML Disposal Agreement;
- (b) all conditions precedent to the completion of the NHDL Acquisition Agreement (save for the conditions requiring the Disposal Agreements and the Share Sale Agreement to become unconditional) having been fulfilled and/or waived in accordance with the NHDL Acquisition Agreement;
- (c) all conditions precedent to the completion of the NHML Disposal Agreement (save for the conditions requiring the Accordcity Disposal Agreement, the NHDL Acquisition Agreement and the Share Sale Agreement to become unconditional) having been fulfilled and/or waived in accordance with the NHML Disposal Agreement;
- (d) approval by the Independent Shareholders of the Accordcity Disposal Agreement and the transactions contemplated thereunder in compliance with the applicable Takeovers Code, Listing Rules and the articles of association of the Company having been obtained;
- (e) all necessary consents or approvals from any third party (including but not limited to any consents or approvals from government authority, regulatory authority, the Stock Exchange and/or the SFC) in connection with the transactions contemplated under the Accordcity Disposal Agreement, including but not limited to the consent of the Executive in relation to special deal under Rule 25 of the Takeovers Code, having been obtained and that no government authority or any third party has proposed or taken any action which resulted in any prohibition or restriction on or delay in the performance and completion of the Accordcity Disposal Agreement and the transactions contemplated thereunder; and
- (f) a dividend of an amount of not less than HK\$5,008,000 having been declared and distributed by NHIL to Accordcity, and subsequently, a dividend of an amount of not less than HK\$81,396,000 having been declared and distributed by Accordcity to NHCL subject to and in accordance with applicable laws and the articles of association of NHIL and Accordcity.

If the conditions precedent to the Accordcity Disposal Agreement have not been fulfilled on or before the Long Stop Date, the Accordcity Disposal Agreement shall lapse (save for the provisions relating to definitions, entirety of agreement, confidentiality, notices, costs, use of counterparts, variation, appointment of process agent and governing law) and no party thereto shall have any claim against the other except in respect of any antecedent breach.

As at the date of the Accordcity Disposal Agreement, other than the approval of the Independent Shareholders and the consent of the Executive in relation to special deal under Rule 25 of the Takeovers Code as set out in conditions (d) and (e) above, the parties to the Accordcity Disposal Agreement did not identify other necessary consent the absence of which would affect the completion of the Accordcity Disposal Agreement.

None of the conditions precedent to the Accordcity Disposal Agreement are waivable. As at the date of this announcement, none of the conditions precedent to the Accordcity Disposal Agreement have been fulfilled.

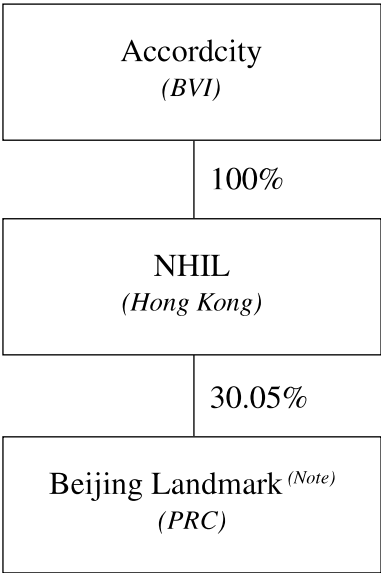
Accordcity Disposal Completion

Subject to the satisfaction of all the conditions precedent to the Accordcity Disposal Agreement, completion of the Accordcity Disposal Agreement shall take place on the Completion Date.

INFORMATION OF THE ACCORDCITY GROUP

Accordcity is incorporated in the BVI on 3 November 2004 with limited liability. It is an indirect wholly-owned subsidiary of the Company as at the date of this announcement and is principally engaged in investment holding. The principal asset of Accordcity Group is holding of 30.05% equity interest in Beijing Landmark.

Set out below is the corporate structure of the Accordcity Group as at the date of this announcement:-



Note: The remaining 69.95% equity interest of Beijing Landmark is owned as to 50% and 19.95% by 北京首都旅游集團有限責任公司 (Beijing Tourism Group Co., Ltd.) and 新加坡置業管理(私人)有限公司 (Realty Management Services (Pte) Ltd.) respectively. Each of 北京首都旅游集團有限責任公司 (Beijing Tourism Group Co., Ltd.) and 新加坡置業管理(私人)有限公司 (Realty Management Services (Pte) Ltd.) and their respective ultimate beneficial owners are Independent Third Parties.

NHIL

NHIL is a company incorporated in Hong Kong with limited liability on 20 July 1984 and is a wholly-owned subsidiary of the Group. Its principal business is investment holding and it directly owns 30.05% equity interests in Beijing Landmark.

Beijing Landmark

Beijing Landmark is a Sino-foreign equity joint venture enterprise established in Beijing on 31 January 1986. Its principal business is hotel ownership and property investment in the PRC, and it developed and operates the Beijing Landmark Towers Complex.

Beijing Landmark Towers Complex is located at No. 8, North Dongsanhuan Road, Chaoyang District, Beijing, the PRC. Currently, it is a multi-purpose office, accommodation and retail complex which comprises one block of 23-storey office tower and one block of 28-storey office tower erected over a single-level and a 3-level basements respectively and one block of 12-storey 4-star hotel together with a 12-storey service apartment block erected over a 3-storey commercial podium plus 2-level and 4-level basements respectively. It has a gross floor area of approximately 130,144 square metres.

BASIS FOR THE ACCORDCITY DISPOSAL CONSIDERATION

The consideration for the Accordcity Disposal was arrived at after arm's length negotiations between the parties to the Accordcity Disposal Agreement and having taken into consideration various relevant factors, including (i) the historical financial performance of the Accordcity Group; (ii) the dividend ultimately to be distributed by Accordcity to NHCL before the Completion Date of an amount not less than HK\$81,396,000; and (iii) the face value of the Accordcity Loan as at the Completion Date, which is estimated to be HK\$76,100,000.

INFORMATION OF HIGHMIND

Highmind is a company incorporated in the BVI on 8 January 2014 with limited liability and is principally engaged in investment holding.

Highmind is directly wholly and beneficially owned by Gavett, which is wholly and beneficially owned by Mr. Taochaifu Choofuang, Mr. Tao Richard, Mr. Tao Paul and their respective associates, and Mr. Taochaifu Choofuang, Mr. Tao Richard, and Mr. Tao Paul are the directors of Highmind. Given each of Mr. Taochaifu Choofuang, Mr. Tao Richard and Mr. Tao Paul are executive Directors, Highmind is a connected person of the Company under the Listing Rules.

(3) THE NHML DISPOSAL AGREEMENT

Date

28 February 2014

Parties

- (i) Gavett, being the purchaser; and
- (ii) NHCL, a wholly-owned subsidiary of the Company, being the vendor

Assets to be disposed of

Pursuant to the NHML Disposal Agreement, NHCL conditionally agreed to sell and Gavett conditionally agreed to purchase (i) the NHML Sale Share, being the entire issued share capital of NHML; and (ii) the NHML Loan, being the outstanding sum due by NHML to NHCL as at the Completion Date, which is estimated to be HK\$9,000,000.

NHML Disposal Consideration

Pursuant to the NHML Disposal Agreement, the consideration for the NHML Disposal is HK\$23,210,000 in aggregate (apportioned as to HK\$14,210,000 for the NHML Sale Share and as to HK\$9,000,000 for the NHML Loan), subject to a dollar-for-dollar adjustment to the consideration for the NHML Loan such that the consideration for the NHML Loan shall be equal to the face value of the actual NHML Loan at Completion Date. The consideration for the NHML Disposal shall be satisfied by Gavett by way of cash at the Completion Date.

Conditions precedent to the NHML Disposal Agreement

Completion of the NHML Disposal is conditional upon the fulfillment of the following conditions:—

- (a) all conditions precedent to the completion of the Share Sale Agreement (save for the condition requiring the NHDL Acquisition Agreement and the Disposal Agreements to become unconditional) having been fulfilled and/or waived in accordance with the Share Sale Agreement, and completion of the NHML Disposal Agreement taking place simultaneously with the completion of the Share Sale Agreement, the NHDL Acquisition Agreement and the Accordcity Disposal Agreement;
- (b) all conditions precedent to the completion of the NHDL Acquisition Agreement (save for the conditions requiring the Disposal Agreements and the Share Sale Agreement to become unconditional) having been fulfilled and/or waived in accordance with the NHDL Acquisition Agreement;
- (c) all conditions precedent to the completion of the Accordcity Disposal Agreement (save for the conditions requiring the NHML Disposal Agreement, the NHDL Acquisition Agreement and the Share Sale Agreement to become unconditional) having been fulfilled and/or waived in accordance with the Accordcity Disposal Agreement;
- (d) approval by the Independent Shareholders of the NHML Disposal Agreement and the transactions contemplated thereunder in compliance with the applicable Takeovers Code, Listing Rules and the articles of association of the Company having been obtained;
- (e) all necessary consents or approvals from any third party (including but not limited to any consents or approvals from government authority, regulatory authority, the Stock Exchange and/or the SFC) in connection with the transactions contemplated under the NHML Disposal Agreement, including but not limited to the consent of the Executive in relation to special deal under Rule 25 of the Takeovers Code, having been obtained and that no government authority or any third party has proposed or taken any action which resulted in any prohibition or restriction on or delay in the performance and completion of the NHML Disposal Agreement and the transactions contemplated thereunder; and

- (f) the World Margin Loan having been repaid in full and the legal charge over the Fortis Tower Property and two car parks nos. 28 and 51 on the second floor of the same building in favour of Public Bank (Hong Kong) Limited in respect of the World Margin Loan having been fully, absolutely and unconditionally released or discharged.

If the conditions precedent to the NHML Disposal Agreement have not been fulfilled on or before the Long Stop Date, the NHML Disposal Agreement shall lapse (save for the provisions relating to definitions, entirety of agreement, confidentiality, notices, costs, use of counterparts, variation, appointment of process agent and governing law) and no party thereto shall have any claim against the other except in respect of any antecedent breach.

As at the date of the NHML Disposal Agreement, other than the approval of the Independent Shareholders and the consent of the Executive in relation to special deal under Rule 25 of the Takeovers Code as set out in conditions (d) and (e) above, the parties to the NHML Disposal Agreement did not identify other necessary consent the absence of which would affect the completion of the NHML Disposal Agreement.

None of the conditions precedent to the NHML Disposal Agreement are waivable. As at the date of this announcement, none of the conditions precedent to the NHML Disposal Agreement have been fulfilled.

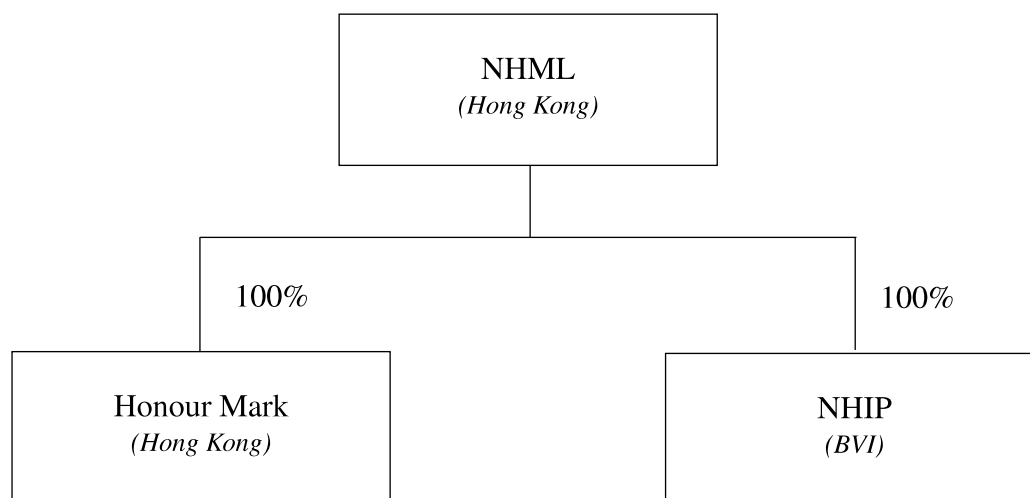
NHML Disposal Completion

Subject to the satisfaction of all the conditions precedent to the NHML Disposal Agreement, completion of the NHML Disposal Agreement shall take place on the Completion Date.

INFORMATION OF THE NHML GROUP

NHML is an indirect wholly-owned subsidiary of the Company and is the administration vehicle of the Group. It holds the entire equity interests in both Honour Mark and NHIP.

Set out below is the corporate structure of the NHML Group as at the date of this announcement:–



Honour Mark

The principal business of Honour Mark is property holdings and it currently owns the HK Property, being the Fortis Tower Property, which is now being used as the principal place of business of the Group in Hong Kong, and two car parks nos. 28 and 51 on the second floor of the same building. The Fortis Tower Property has a total saleable floor area of approximately 305.94 square meters.

The valuation report of the HK Property setting out, among others, the fair value of the HK Property, to be prepared by an independent valuer of the Group, will be disclosed in the Circular pursuant to the Listing Rules.

NHIP

The principal business of NHIP is the holding of the trademarks of the Group.

BASIS FOR THE NHML DISPOSAL CONSIDERATION

The consideration for the NHML Disposal was arrived at after arm's length negotiations between the parties to the NHML Disposal Agreement and having taken into consideration various relevant factors, including (i) the historical financial performance of the NHML Group; (ii) the estimated fair value gain on the HK Property with reference to the preliminary property valuation report of the HK Property; and (iii) the face value of the NHML Loan as at the Completion Date, which is estimated to be HK\$9,000,000.

INFORMATION OF GAVETT

Gavett is a company incorporated in the BVI on 2 January 2014 with limited liability and is principally engaged in investment holding.

Gavett is wholly and beneficially owned by Mr. Taochaifu Choofuang, Mr. Tao Richard, Mr. Tao Paul and their respective associates, and Mr. Taochaifu Choofuang, Mr. Tao Richard, and Mr. Tao Paul are the directors of Gavett. Given each of Mr. Taochaifu Choofuang, Mr. Tao Richard and Mr. Tao Paul are executive Directors, Gavett is a connected person of the Company under the Listing Rules.

WAIVER SOUGHT FROM THE STOCK EXCHANGE

Pursuant to Rules 14.58(6), 14.58(7) and 14.60(3)(a) of the Listing Rules, the Company is required to disclose (i) the asset value of and the net profits or loss of the NHDL Group, the Accordcity Group and the NHML Group; and (ii) the gain or loss expected to accrue to the Group and the basis for calculating such gain or loss as a result of the Disposals (collectively, the "**Required Financial Information**"). In connection with these requirements, application has been made by the Company to the Stock Exchange for waivers from inclusion of such information in this announcement. Such application has been made on the grounds that (i) the Required Financial Information are unaudited and unpublished figures (which is the only available information as at the date of this announcement) and, if disclosed in this announcement, will constitute profit forecasts within the meaning of Rule 10 of the Takeovers Code which would need to be reported on by an auditor and financial adviser of the Company. It would be burdensome for the Company, and not in the interest of the general public, to withhold this announcement until such reports are available; (ii) the grant of the waiver would not result in undue risks to the Shareholders and be repugnant to the general principles under Rule 2.03 of the Listing Rules as the NHDL Acquisition and the Disposals are still subject to the approval of the Independent Shareholders who will be properly informed of

the Required Financial Information in the Circular and will have the benefit of perusing the advice from the Independent Board Committee and the independent financial adviser before making their decision on how to cast their votes in the EGM; and (iii) the basis upon which the consideration for the NHDL Acquisition and the Disposals was determined has been disclosed in this announcement pursuant to Rule 14.58(5) of the Listing Rules. The Directors confirmed that the information contained in this announcement remains accurate and complete in all material respects and not misleading notwithstanding that the Required Financial Information was not disclosed in this announcement.

The Required Financial Information will be contained in the Circular and announced by the Company by way of a separate announcement when the Circular is despatched.

REASONS FOR AND BENEFITS OF THE NHDL ACQUISITION, THE ACCORDCITY DISPOSAL AND THE NHML DISPOSAL

The Company is a company incorporated in the Cayman Islands with limited liability and has been listed on the Main Board of the Stock Exchange since 2 December 2005. The Group is principally engaged in property development and property investment in the PRC.

NHDL Acquisition

Mr. Chan Bernard Charnwut, the non-executive Director, shall resign as a Director after the close of the Offers. He and his associates do not intend to retain their beneficial interest in NHDL after the close of the Offers, and that the Company prefers to have full control over the financial and operating policies of NHDL. Mr. Chan Bernard Charnwut therefore proposed the NHDL Acquisition to the Company.

Accordcity Disposal

The principal asset of the Accordcity Group is the holding of 30.05% equity interest in Beijing Landmark, the joint venture with 北京首都旅游集團有限責任公司 (Beijing Tourism Group Co., Ltd.) and 新加坡置業管理(私人)有限公司 (Realty Management Services (Pte) Ltd.). Beijing Landmark has a limited remaining term of the joint venture till 2020 and there might be uncertainty in its future return on investment in this regard. In this connection and taking into account the Offers, the Company has agreed to dispose of its shareholdings in Accordcity, which can allow the Company to realise their investments in the Accordcity Group at a fair price. The Company therefore proposed the Accordcity Disposal to the Vendors along with the change in controlling stake in the Company from the Vendors to the Offeror upon the S&P Completion.

NHML Disposal

The Fortis Tower Property is currently the head office and principal place of business of the Company in Hong Kong. Taking into account the Offers, the Company has agreed not to retain the Fortis Tower Property, together with the two car parks in the same building, as this can allow the Company to realise the investment in these properties for cash for the Company's other business operations.

Having taken into account the above reasons and given that (i) the Company will benefit from an increased cash balance by the amount of the cash portion of the net proceeds from the Disposals for its future business development; and (ii) the Company is able to acquire the remaining minority interest of NHDL pursuant to the NHDL Acquisition Agreement so that the

Group has full control over NHDL, the Directors (excluding the independent non-executive Directors) consider the Transactions to be fair and reasonable, on normal commercial terms and in the interest of the Company and the Shareholders as a whole.

USE OF PROCEEDS FROM THE DISPOSALS

The Company intends to use the net proceeds from the Disposals as general working capital of the Group.

TAKEOVERS CODE AND THE LISTING RULES IMPLICATIONS

NHDL Acquisition

Each of AFH and AICL are Shareholders, holding 22,727,272 Shares and 9,090,909 Shares respectively, as at the date of this announcement. Each of AFH and AICL is also holders of the Convertible Notes, holding a principal amount of HK\$25 million and HK\$15 million respectively, the aggregate amount of which constitutes the entire outstanding principal amount of the Convertible Notes. AICL is a wholly-owned subsidiary of AFH. As disclosed in the section headed “Information of Onsite” above, AFH beneficially owns 70% interest of Onsite. Given Onsite owns all the assets under the NHDL Acquisition (i.e. the NHDL Sale Shares and the NHDL Loan), the NHDL Acquisition is not capable of being extended to all other Shareholders. Accordingly, the NHDL Acquisition constitutes a special deal under Rule 25 of the Takeovers Code, which requires the consent of the Executive and such consent, if granted, will be conditional upon (i) Ample Capital, as the independent financial adviser to the Independent Board Committee, publicly stating that in its opinion, the terms of the special deal are fair and reasonable; and (ii) the approval of the Independent Shareholders voting by way of poll at a general meeting of the Company.

As one or more of the applicable percentage ratio(s) calculated in accordance with Chapter 14 of the Listing Rules in respect of the NHDL Acquisition is more than 5% but less than 25%, the NHDL Acquisition constitutes a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules. As mentioned in the paragraph headed “Information of Onsite” in this announcement above, Onsite is a connected person of the Company under the Listing Rules. Thus, the NHDL Acquisition constitutes a non-exempt connected transaction of the Company and is subject to the Independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules.

Disposals

Given Highmind and Gavett, being the respective purchasers under each of the Accordcity Disposal Agreement and the NHML Disposal Agreement, are companies owned or controlled by the Controlling Shareholders, the Disposals are not capable of being extended to all other Shareholders. Accordingly, the Disposals constitute special deals under Note 4 to Rule 25 of the Takeovers Code, which require the consent of the Executive and such consent, if granted, will be conditional upon (i) Ample Capital, as the independent financial adviser to the Independent Board Committee, publicly stating that in its opinion, the terms of the special deals are fair and reasonable; and (ii) the approval of the Independent Shareholders voting by way of poll at a general meeting of the Company.

As one or more of the applicable percentage ratio(s) calculated in accordance with Chapter 14 of the Listing Rules in respect of the Accordcity Disposal is more than 75%, the Accordcity Disposal constitutes a very substantial disposal of the Company and is therefore subject to the reporting and announcement, and Shareholders’ approval requirements under Chapter 14 of the Listing Rules. Although all of the applicable percentage ratio(s) calculated in accordance with

Chapter 14 of the Listing Rules in respect of the NHML Disposal are less than 5%, given both Highmind and Gavett are companies owned or controlled by the Controlling Shareholders, the Accordcity Disposal and the NHML Disposal are aggregated pursuant to Rule 14.22 of the Listing Rules. Therefore, each of the Accordcity Disposal and the NHML Disposal constitutes a very substantial disposal of the Company and is therefore subject to the reporting and announcement, and Shareholders' approval requirements under Chapter 14 of the Listing Rules. As mentioned in the paragraph headed "Information of Highmind" and "Information of Gavett" in the announcement above, both Highmind and Gavett are connected persons of the Company under the Listing Rules. Thus, the Disposals constitute non-exempt connected transactions of the Company and are subject to the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As entering into the NHDL Acquisition Agreement, the Accordcity Disposal Agreement and the NHML Disposal Agreement is one of the Conditions to the Share Sale Agreement and completion of these agreements shall take place simultaneously with S&P Completion (i.e. the NHDL Acquisition Agreement, the Accordcity Disposal Agreement, the NHML Disposal Agreement and the Share Sale Agreement are inter-conditional to one another), the Vendors, Onsite, AFH, AICL, their respective associates and parties acting in concert with any of them and those who are involved in or interested in the NHDL Acquisition or the Disposals shall abstain from voting at the EGM in respect of the resolution relating to the NHDL Acquisition Agreement, the Accordcity Disposal Agreement and the NHML Disposal Agreement and their respective transactions contemplated thereunder. Mr. Taochaifu Choofuang, Mr. Tao Richard and Mr. Tao Paul, the executive Directors, and Mr. Chan Bernard Charnwut, the non-executive Director, have interests in the outcome of the NHDL Acquisition, the Disposals and the Offers (as the case may be), and thus have abstained from voting on the board resolutions in relation to the Transactions.

An application will be made by the Company to the Executive for the consent under Rule 25 of the Takeovers Code in relation to the Transactions.

GENERAL

Independent Board Committee

The Independent Board Committee, comprising all the independent non-executive Directors, namely Mr. Wong Gary Ka Wai, Mr. Sun Leland Li Hsun and Mr. Chan Norman Enrique, each of whom has no direct or indirect interest in the Transactions and Offers, has been established. As set out in the section headed "Information of Onsite" in this announcement above, since Onsite (being the vendor of the NHDL Acquisition) is an associate of Mr. Chan Bernard Charnwut, the non-executive Director, Mr. Chan has an indirect interest in the outcome of the NHDL Acquisition and the Offers, and thus, Mr. Chan is excluded from the Independent Board Committee. The Independent Board Committee will, among others, consider and advise the Independent Shareholders as to the fairness and reasonableness of the terms of the NHDL Acquisition Agreement, the Accordcity Disposal Agreement and the NHML Disposal Agreement.

Appointment of Independent Financial Adviser

Ample Capital has been appointed by the Company to act as the independent financial adviser to the Independent Board Committee to advise on the terms of the NHDL Acquisition Agreement, the Accordcity Disposal Agreement and the NHML Disposal Agreement. The appointment of Ample Capital has been approved by the Independent Board Committee.

Circular to the Shareholders

The Circular setting out, inter alia, (i) details of the NHDL Acquisition Agreement, the Accordcity Disposal Agreement and the NHML Disposal Agreement; (ii) the respective letters of advice from the Independent Board Committee and Ample Capital in respect of the NHDL Acquisition Agreement, the Accordcity Disposal Agreement and the NHML Disposal Agreement; and (iii) a notice of the EGM will be sent to the Shareholders. As additional time is required to prepare the financial information as required to be included in the Circular (including the indebtedness statement of the Group) pursuant to the Listing Rules, the Circular is expected to be dispatched to the Shareholders on or before 17 April 2014.

SUSPENSION AND RESUMPTION OF TRADING IN THE SHARES

Trading in the Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on 3 March 2014 at the request of the Company pending the release of this announcement. Application has been made by the Company for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 14 March 2014.

DEFINITIONS

In this announcement, the following terms have the following meanings unless the context requires otherwise:

“Accordcity”	Accordcity Limited, a company incorporated in BVI with limited liability on 3 November 2004 and an indirect wholly-owned subsidiary of the Company as at the date of this announcement
“Accordcity Disposal”	the proposed disposal of the Accordcity Sale Shares and the Accordcity Loan by NHCL to Highmind pursuant to the Accordcity Disposal Agreement
“Accordcity Disposal Agreement”	the conditional sale and purchase agreement dated 28 February 2014 entered into between NHCL and Highmind regarding the Accordcity Disposal
“Accordcity Group”	Accordcity and its subsidiary, namely NHIL, and its associated company, namely Beijing Landmark, to be disposed of pursuant to the Accordcity Disposal Agreement
“Accordcity Loan”	the outstanding sum due by Accordcity to NHCL at the Completion Date, which is estimated to be HK\$76,100,000
“Accordcity Sale Shares”	102 shares of US\$1.00 each in the share capital of Accordcity, representing the entire issued share capital of Accordcity
“acting in concert”	has the meaning ascribed to it in the Takeovers Code
“AFH”	Asia Financial Holdings Ltd., a company incorporated in Bermuda with limited liability, the issued share shares of which are listed on the Main Board of the Stock Exchange (stock code: 662)
“AICL”	Asia Insurance Company, Limited, a limited liability company incorporated in Hong Kong and is a wholly-owned subsidiary of AFH

“Ample Capital”	Ample Capital Limited, a corporation licensed to carry on type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the SFO and the independent financial adviser to the Independent Board Committee
“associate(s)”	has the meaning ascribed thereto under the Listing Rules or the Takeovers Code as the context may require
“Beijing Landmark”	北京亮馬河大廈有限公司 (Beijing Landmark Towers Co., Ltd.), a Sino-foreign equity joint venture enterprise established in Beijing on 31 January 1986 and is 30.05%-owned associated company of the Company as at the date of this announcement
“Board”	the board of Directors
“Business Day”	any day (except a Saturday or Sunday or public holiday in Hong Kong and any day on which a tropical cyclone warning no. 8 or above or a “black” rain warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which banks in Hong Kong are generally open for business
“BVI”	British Virgin Islands
“Circular”	the circular to be issued by the Company setting out, among other, details of the NHDL Acquisition, the Accordcity Disposal and the NHML Disposal, as well as the notice of EGM
“Company”	New Heritage Holdings Ltd., a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange
“Completion Date”	the date of simultaneous completion of the Share Sale Agreement, the NHDL Acquisition Agreement and the Disposal Agreements
“Condition(s)”	conditions precedent to the Share Sale Agreement
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Controlling Shareholders”	Belbroughton Limited, Mr. Taochaifu Choofuang, Mr. Tao Richard and Mr. Tao Paul
“Convertible Notes”	the convertible notes with an aggregate principal amount of HK\$75 million, bearing interest at 6% per annum on the principal amount outstanding from time to time, issued by the Company on 30 September 2011. As at the date of this announcement, the aggregate outstanding principal amount of the convertible notes is HK\$40 million
“Director(s)”	director(s) of the Company
“Disposal Agreements”	the Accordcity Disposal Agreement and the NHML Disposal Agreement

“Disposals”	the Accordcity Disposal and the NHML Disposal
“EGM”	an extraordinary general meeting of the Company to be convened to seek Independent Shareholders’ approval in respect of, inter alia, the NHDL Acquisition Agreement, the Accordcity Disposal Agreement and the NHML Disposal Agreement (together with all transactions contemplated thereunder)
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
“Fortis Tower Property”	an office property unit located at Room 2301, 23/F., Fortis Tower, 77-79 Gloucester Road, Wanchai, Hong Kong
“Gavett”	Gavett Limited, a company incorporated in the BVI on 2 January 2014 with limited liability and is wholly and beneficially owned by the Individual Vendors and their respective associates
“Group”	the Company and its subsidiaries
“Highmind”	Highmind Limited, a company incorporated in the BVI on 8 January 2014 with limited liability and is wholly and beneficially owned by the Individual Vendors and their respective associates
“HK Property”	Fortis Tower Property and two car parks nos. 28 and 51 on the second floor of the Fortis Tower
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Honour Mark”	Honour Mark Holdings Limited, a company incorporated in Hong Kong on 4 July 2008 with limited liability, being an indirect wholly-owned subsidiary of the Company as at the date of this announcement
“Independent Board Committee”	the independent board committee of the Company comprising all the independent non-executive Directors, namely Mr. Wong Gary Ka Wai, Mr. Sun Leland Li Hsun and Mr. Chan Norman Enrique
“Independent Shareholders”	Shareholders other than the Vendors, Onsite, AFH, AICL, and their respective associates and parties acting in concert with any of them and those who are not involved in or interested in the NHDL Acquisition, the Accordcity Disposal and/or the NHML Disposal
“Independent Third Party(ies)”	a party(ies) who is/are independent of and is/are not connected with any of the directors, chief executives or substantial shareholders of the Company or any of its subsidiaries or any of their respective associates
“Individual Vendors”	Mr. Taochaifu Choofuang, Mr. Tao Richard and Mr. Tao Paul

“Joint Announcement”	the announcement dated 13 February 2014 jointly issued by the Company and the Offeror in respect of, among others, the Share Sale Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	the same day as the “Longstop Date” as defined in the Share Sale Agreement which as at the date of the NHDL Acquisition Agreement and the Disposal Agreements is 17 April 2014
“Mr. Wong”	Mr. Wong Hong King (黃康境)
“NHCL”	New Heritage Corporation Limited, a company incorporated in the BVI on 11 February 2005, being a direct wholly-owned subsidiary of the Company
“NHDL”	New Heritage Development Limited, a company incorporated in Hong Kong with limited liability, being indirectly-owned as to approximately 90.385% of its interest by the Company as at the date of this announcement
“NHDL Acquisition”	the proposed acquisition of the NHDL Sale Shares and the NHDL Loan from Onsite by NHCL pursuant to the NHDL Acquisition Agreement
“NHDL Acquisition Agreement”	the conditional sale and purchase agreement dated 28 February 2014 entered into between NHCL and Onsite regarding the NHDL Acquisition
“NHDL Acquisition Completion”	completion of the NHDL Acquisition in accordance with the terms of the NHDL Acquisition Agreement
“NHDL Group”	NHDL and its subsidiaries
“NHDL Loan”	a non-interest bearing shareholder’s loan due and owing by NHDL to Onsite in a sum of HK\$26,460,000 as at the date of the NHDL Acquisition Agreement
“NHDL Properties”	properties owned and leased by NHDL Group as at the date of this announcement
“NHDL Sale Shares”	15 NHDL Shares
“NHDL Shares”	the ordinary share(s) in the share capital of NHDL
“NHIL”	New Heritage Investments Limited, a company incorporated in Hong Kong with limited liability on 20 July 1984 and is an indirect wholly-owned subsidiary of the Company as at the date of this announcement

“NHIP”	New Heritage (IP) Limited, a company incorporated in the BVI with limited liability on 21 January 2005 and is an indirect wholly-owned subsidiary of the Company as at the date of this announcement
“NHML”	New Heritage Management Limited, a company incorporated in Hong Kong with limited liability on 27 October 2004 and is an indirect wholly-owned subsidiary of the Company as at the date of this announcement
“NHML Disposal”	the proposed disposal of the NHML Sale Share and the NHML Loan by NHCL to Gavett pursuant to the NHML Disposal Agreement
“NHML Disposal Agreement”	the conditional sale and purchase agreement dated 28 February 2014 entered into between NHCL and Gavett regarding the NHML Disposal
“NHML Group”	NHML and its subsidiaries, namely Honour Mark and NHIP, to be disposed of pursuant to the NHML Disposal Agreement
“NHML Sale Share”	one share in the share capital of NHML, representing the entire issued share capital of NHML
“NHML Loan”	the outstanding sum due by NHML to NHCL at the Completion Date, which is estimated to be HK\$9,000,000
“NHWJA”	吳江新澤地產有限公司 (New Heritage WJA Limited), a wholly foreign-owned enterprise established in the PRC on 30 April 2008 and owned as to 60% by NHDL and 40% by Silk Dragon Limited, which is an indirect wholly-owned subsidiary of the Company as at the date of this announcement
“Offeror”	China LVGEM Property Holdings Limited, a company incorporated in the Cayman Islands with limited liability on 18 December 2007 and the entire issued share capital of which is ultimately beneficially owned by Mr. Wong
“Offers”	the possible mandatory unconditional cash offers by Kingston Securities Limited on behalf of the Offeror for all the issued Shares in and Convertible Notes of the Company (other than those already owned by or agreed to be acquired by the Offeror, Mr. Wong or parties acting in concert with any of them) and for the cancellation of all outstanding share Options
“Onsite”	Onsite Investment Limited, a company incorporated in the BVI with limited liability controlled by AFH
“Option(s)”	option(s) which were granted to the directors and employees of the Company pursuant to the share option scheme of the Company adopted on 14 November 2005 and remain outstanding as at the date of this announcement, entitling the holders thereof to subscribe for new Shares at an exercise price of HK\$0.235 per Share

“PRC”	the People’s Republic of China and for the purposes of this announcement, shall exclude Taiwan, Macau and Hong Kong
“Prosper View”	Prosper View Group Limited, a company incorporated in Hong Kong with limited liability on 17 August 2006 and is owned as to 51% by NHDL and 49% by Independent Third Parties as at the date of this announcement
“S&P Completion”	completion of the Share Sale Agreement
“Sale Shares”	a total of 858,800,792 Shares to be acquired by the Offeror pursuant to the Share Sale Agreement
“SFC”	Securities and Futures Commission of Hong Kong
“SFO”	Securities and Futures Ordinance (Cap. 571), Laws of Hong Kong
“SGVDM”	蘇州錦華苑建設發展管理有限公司 (Suzhou Garden Villa Development & Management Co., Ltd.), a Sino-foreign co-operative joint venture enterprise established in the PRC on 19 September 1991 and owned as to 95% by NHDL and 5% by an Independent Third Party as at the date of this announcement
“Share Sale Agreement”	the conditional share sale agreement dated 21 January 2014 entered into by the Offeror and the Vendors in relation to the sale and purchase of the Sale Shares
“Share(s)”	ordinary share(s) of HK\$0.01 in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“SNHGF”	蘇州新綉地產有限公司 (Suzhou New Heritage GF Limited), a wholly foreign-owned enterprise established in the PRC on 10 April 2007 and is owned as to 80% by Prosper View and 20% by NHDL as at the date of this announcement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial Shareholder”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Repurchases
“Transactions”	the NHDL Acquisition, the Accordcity Disposal and the NHML Disposal
“US\$”	the United States dollar, the lawful currency of the United States of America
“Vendors”	Belbroughton Limited, Mr. Taochaifu Choofuang, Mr. Tao Richard, Mr. Tao Paul and Tian Xiang Business Limited

“Warrantor”	Belbroughton Limited, which is also one of the Vendors
“World Margin Loan”	all principal and interest due by World Margin Limited to Public Bank (Hong Kong) Limited under a facility letter dated 7 November 2012 issued by Public Bank (Hong Kong) Limited to World Margin Limited
“%”	per cent.

By Order of the Board
New Heritage Holdings Ltd.
LAI Siu Hung
Company Secretary

Hong Kong, 13 March 2014

As at the date of this announcement, the executive Directors are Mr. TAOCHAIFU Choofuang (Chairman), Mr. TAO Richard (Vice Chairman), Mr. TAO Paul (Managing Director), Mr. KONG Mui Sum Lawrence and Mr. YIM Chun Leung; the non-executive Director is Mr. CHAN Bernard Charnwut; and the independent non-executive Directors are Mr. WONG Gary Ka Wai, Mr. SUN Leland Li Hsun and Mr. CHAN Norman Enrique.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statement in this announcement misleading.