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WHEELOCK AND COMPANY LIMITED
(Incorporated in Hong Kong with limited liability)
Stock Code: 20

DISCLOSEABLE TRANSACTION

The board of directors of Wheelock announces that on 28 July 2010, Market Prospect, being a newly-formed joint venture company equally owned by the Wharf group (Wharf being a 50.02%-owned listed subsidiary of Wheelock) and the Nan Fung group, succeeded in bidding, through a public auction, the Land at a consideration of HK\$10.4 billion. The Wharf group and the Nan Fung group, through Market Prospect, will jointly develop the Land into residential properties on a 50:50 ownership basis.

On the basis that one or more of the applicable percentage ratios in respect of the financial commitment by the Wharf group for the Transaction is/are greater than 5% while all such ratios are below 25% for the purposes of Rule 14.07 of the Listing Rules insofar as Wheelock is concerned, the Transaction constitutes a discloseable transaction for Wheelock (but not for Wharf) and is subject to the reporting and announcement requirements as set out in Rule 14.34 to Rule 14.37 of the Listing Rules.

INTRODUCTION

The board of directors of Wheelock announces that on 28 July 2010, Market Prospect, being a newly-formed joint venture company equally owned by the Wharf group (through a wholly-owned subsidiary of Wharf) and the Nan Fung group, succeeded in bidding, through a public auction, the Land at a consideration of HK\$10.4 billion. The Wharf group and the Nan Fung group, through Market Prospect, will jointly develop the Land into residential properties on a 50:50 ownership basis.

DETAILS OF THE LAND AUCTION

Auction Date : 28 July 2010

Land	:	a piece of land situate at Mount Nicholson Road, The Peak, Hong Kong and registered as Inland Lot No. 9007 with a site area of approximately 251,000 sq. ft. and a maximum developable gross floor area of approximately 325,000 sq. ft.
Parties	:	(a) The Government of the Hong Kong Special Administrative Region as the vendor; and (b) Market Prospect as the purchaser
Consideration	:	HK\$10.4 billion (the Wharf group and the Nan Fung group are responsible for payment thereof, through Market Prospect, in equal shares), of which a sum of HK\$25 million has been paid as deposit for the auction with the balance to be payable in full on or before 25 August 2010
Purpose	:	development of the Land into residential properties

ESTIMATED FINANCIAL COMMITMENT

It has been agreed between the Wharf group and the Nan Fung group that following the successful bidding of the Land, a JV Agreement will be entered into by the parties in due course for development of the Land.

As at the date of this announcement, the total financial commitment (other than the total consideration of the Land) for the development of the Land is yet to be determined between the parties. The Wharf group and the Nan Fung group may in future provide finance, guarantees and/or security in respect of the development and related costs of the Project in equal shares. The Wharf group's portion of funding is expected to be financed by internal resources and bank borrowings.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The directors of Wheelock believe that the Transaction is a viable investment, will broaden the asset and earnings base of, and will be beneficial to the Wheelock Group and shareholders of Wheelock as a whole. The directors of Wheelock also consider that the terms of the Transaction are in the interests of Wheelock and its shareholders, and the Transaction is in the ordinary and usual course of business of the Wheelock Group, on normal commercial terms, and are fair and reasonable.

REGULATORY ASPECTS

To the best of the knowledge, information and belief of the directors of Wheelock, and having made all reasonable enquiries, Nan Fung and its ultimate beneficial owner(s) are independent third parties and are not connected persons of Wheelock.

On the basis that one or more of the applicable percentage ratios in respect of the financial commitment by the Wharf group for the Transaction is/are greater than 5% while all such ratios are below 25% for the purposes of Rule 14.07 of the Listing Rules insofar as Wheelock is concerned, the Transaction constitutes a discloseable transaction for Wheelock (but not for Wharf) and is subject to the reporting and announcement requirements as set out in Rule 14.34 to Rule 14.37 of the Listing Rules.

GENERAL

The principal business activities of the Wheelock Group are ownership of properties for development and letting, investment holding, container terminals as well as communications, media and entertainment. The principal business activities of the Nan Fung group are property development and property-related business.

As at the date of this announcement, the board of directors of Wheelock comprises Mr. Peter K. C. Woo, Mr. Stephen T. H. Ng and Mr. Paul Y. C. Tsui, together with three independent non-executive directors, namely, Mr. Alexander S. K. Au, Mr. B. M. Chang and Mr. Kenneth W. S. Ting.

TERMS USED IN THIS ANNOUNCEMENT

Unless the context otherwise requires, capitalised terms used in this announcement shall have the following meanings: -

“connected person(s)”	shall have the same meaning ascribed to the Listing Rules
“JV Agreement”	a joint venture agreement to be entered into between the Wharf group and the Nan Fung group in relation to the joint development of the Land on a 50:50 ownership basis
“Market Prospect”	Market Prospect Limited, a company incorporated in Hong Kong with limited liability
“Project”	the property development of the Land
“Nan Fung”	Nan Fung Development Limited, a company incorporated in Hong Kong with limited liability and a reputable property developer in Hong Kong
“Land”	a piece of land situate at Mount Nicholson Road, The Peak, Hong Kong and registered as Inland Lot No. 9007 with a site area of approximately 251,000 sq. ft. and a maximum developable gross floor area of approximately 325,000 sq. ft.

“Transaction”	the formation of a joint venture by the Wharf group with the Nan Fung group for the bidding and development of the Land on a 50:50 ownership basis
“Wheelock”	Wheelock and Company Limited (stock code: 20), a company incorporated in Hong Kong with limited liability with its shares listed on the Stock Exchange
“Wheelock Group”	Wheelock together with its subsidiaries
“Wharf”	The Wharf (Holdings) Limited (stock code: 4), a 50.02%-owned subsidiary of Wheelock, incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange

By Order of the Board
Wilson W. S. Chan
Company Secretary

Hong Kong, 28 July 2010