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

DISCLOSEABLE TRANSACTION

The Board wishes to announce that on 31 January 2011, Wharf (which is a 50.02%-owned listed subsidiary of the Company), through its wholly-owned subsidiary, succeeded in bidding for the Land at a total consideration of RMB5,636.93 million (equal to about HK\$6,668.49 million).

The site is a rare one in the heart of the Changsha CBD with MTR linkage and very close to future railway station for Metro Line 1 and 2. The Wharf Group will develop the Land into a commercial complex comprising a 250,000 to 290,000 square metres shopping mall (3 times the size of the Times Square in Hong Kong), office, hotel and serviced apartments.

Given the size or value thereof, the Transaction constitutes a discloseable transaction for the Company under Rule 14.06(2) of the Listing Rules and is subject to the notification and announcement requirements pursuant to Rule 14.33 and Rule 14.34 of the Listing Rules.

INTRODUCTION

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DETAILS OF THE AUCTION

The Auction is a public auction held by 長沙市國土資源交易中心 (which is an entity acting for the Vendor), which was conducted in accordance with the relevant PRC laws and regulations.

The Land comprises eight pieces of land lots for commercial purposes, located at 芙蓉區東牌樓, Changsha, the PRC, with a total site area of about 0.8 million square feet and a total maximum developable gross floor area of about 7.53 million square feet.

PAYMENT OF CONSIDERATION FOR THE LAND

The total amount of consideration, which is the outcome of the Auction, payable to the Vendor for acquiring the land use rights of the Land amounts to RMB5,636.93 million (equal to about HK\$6,668.49 million), which was paid / will be payable by instalments in cash and in manner as follows:-

<u>Date of payment</u>	<u>Amount paid / payable</u>
On 31 January 2011	RMB550 million (equal to about HK\$650.65 million) (being the deposit for the bidding)
On or before 30 April 2011	RMB5,086.93 million (equal to about HK\$6,017.84 million) (being the entire balance of the total consideration)

The consideration amount represents and is arrived at on the basis of an average accommodation value of about RMB748 (equal to about HK\$885) per square foot. The consideration amount will be partly funded from the Wharf Group's internal resources and partly funded by bank borrowings by the Wharf Group.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The Directors believe that the Transaction is a viable investment, will broaden the asset and earnings base of and will be beneficial to the Group. The Directors also believe that the terms of the Transaction are fair and reasonable and in the interests of the Company and its shareholders as a whole.

REGULATORY ASPECTS

To the best knowledge, belief and information of the Directors having made all reasonable enquiries, the Vendor and the ultimate beneficial owner thereof are third parties independent of the Company and not connected persons of the Company.

On the basis that one or more of the applicable percentage ratios in respect of the financial commitment 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 the Company is concerned, the Transaction constitutes a discloseable transaction of the Company (but not constituting a

notifiable transaction for Wharf) and is subject to the notification and announcement requirements pursuant to Rule 14.33 and Rule 14.34 of the Listing Rules.

GENERAL

The principal business activities of the Group and the Wharf Group are ownership of properties for development and letting, investment holding, container terminals as well as communications, media and entertainment.

As at the date of this announcement, the Board comprises Mr. Peter K. C. Woo, Mr. Stephen T. H. Ng, Mr. Paul Y. C. Tsui and Mr. Ricky K Y Wong, together with five independent non-executive directors, namely, Mr. Alexander S. K. Au, Mr. B. M. Chang, Mr. Herald L. F. Lau, Mr. Kenneth W. S. Ting and Mr. Glenn S. Yee.

TERMS USED IN THIS ANNOUNCEMENT

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

“Auction”	the public auction held on 31 January 2011 by 長沙市國土資源交易中心 (which is an entity acting for the Vendor) for the Land in accordance with the relevant PRC laws and regulations
“Board”	the board of directors of the Company
“Company”	Wheelock and Company Limited (stock code: 20), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange
“Directors”	the directors of the Company
“Group”	the Company together with its subsidiaries
“Land”	eight pieces of land lots with land title certificates numbered 長國用 (2009) 030985, 030986, 030987, 030988, 030989, 030990, 030991 and 076654 with a total site area of approximately 0.8 million square feet and located at 芙蓉區東牌樓, Changsha, the PRC
“PRC”	the People’s Republic of China
“Transaction”	the successful bidding for the acquisition of the land use rights of the Land by the Wharf Group on 31 January 2011

“Vendor”	長沙城東棚戶區改造投資有限公司, a company incorporated in the PRC engaged in, <i>inter alia</i> , the business of urban renewal property projects
“Wharf”	The Wharf (Holdings) Limited (stock code: 4), a 50.02%-owned subsidiary of the Company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange
“Wharf Group”	Wharf together with its subsidiaries
“RMB”	Renminbi, the lawful currency of the PRC

Unless otherwise specified in this announcement, amounts denominated in Renminbi have been converted, for the purpose of illustration only, into Hong Kong dollars at the rate of HK\$1.183 = RMB1.00. This exchange rate is for the purpose of illustration only and does not constitute a representation that any amount has been, could have been or may be converted at the above rate or any other rates.

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

Hong Kong, 31 January 2011