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THE WHARF (HOLDINGS) LIMITED
(Incorporated in Hong Kong with limited liability)
Stock Code: 4

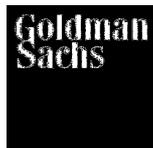
**PROPOSED ISSUE OF 2.30 PER CENT.
GUARANTEED CONVERTIBLE
BONDS DUE 2014
BY WHARF FINANCE (2014) LIMITED
GUARANTEED BY, AND CONVERTIBLE
INTO ORDINARY SHARES OF,
THE WHARF (HOLDINGS) LIMITED**



WHEELOCK
Founded 1857

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

DISCLOSEABLE TRANSACTION



Goldman Sachs (Asia) L.L.C.
as sole bookrunner and lead manager

JOINT ANNOUNCEMENT

Summary

The directors of Wharf and Wheelock are pleased to announce that the Subscription Agreement was entered into on 17 May 2011 between (i) Wharf as issuer of the Conversion Shares, and guarantor for payment of all sums payable in relation to the Convertible Bonds, (ii) a wholly-owned subsidiary of Wharf, the Issuer as issuer of the Convertible Bonds and (iii) the Sole Bookrunner.

The Convertible Bonds will be offered and sold to at least six persons whose ordinary business involves buying, selling or investing in securities outside the United States in reliance upon Regulation S of the Securities Act. None of the Convertible Bonds will be offered to the retail public in Hong Kong nor will they be placed with any connected persons of Wharf.

The initial Conversion Price is HK\$90.00 per Share. Assuming full conversion of the Convertible Bonds at the initial Conversion Price, the Convertible Bonds will be convertible into approximately 69.11 million Shares, representing approximately 2.28% of the issued share capital of Wharf as at the date of this announcement and approximately 2.23% of the issued share capital of Wharf as enlarged by the issue of the Conversion Shares.

The Conversion Shares will be allotted and issued by Wharf pursuant to the General Mandate granted to the directors of Wharf at the annual general meeting of Wharf held on 8 June 2010 or pursuant to a new general mandate to be granted to the directors of Wharf at the forthcoming annual general meeting of Wharf which will be held on 7 June 2011.

The issue of the Convertible Bonds constitutes a deemed disposal of a part of Wheelock's shareholding in Wharf as Wheelock's 50.02% shareholding in Wharf would fall to 48.91%, assuming the Convertible Bonds are converted in full. Nevertheless, notwithstanding that as a result thereof, Wheelock's shareholding interests in Wharf may possibly fall below 50% in future, Wheelock will continue to consolidate Wharf as a subsidiary in Wheelock's financial statements subsequent to such shareholding change. As one of the applicable percentage ratios in respect of such deemed disposal exceeds 5%, while all such ratios are less than 25%, the entering into of the Subscription Agreement by Wharf constitutes a discloseable transaction for Wheelock under Chapter 14 of the Listing Rules.

The estimated net proceeds from the issue of the Convertible Bonds, after deduction of commissions and expenses, amount to approximately HK\$6,170 million. Wharf intends to use the net proceeds for financing or re-financing the Wharf Group's property investment and development, in Hong Kong and mainland China, and for general corporate purposes.

Application will be made for the listing of the Convertible Bonds on the SGX-ST by way of selectively marketed securities.

Wharf will also apply to the Stock Exchange for the listing of, and permission, to deal in the Conversion Shares.

Completion of the Subscription Agreement is subject to the satisfaction and/or waiver of the conditions precedent therein. In addition, the Subscription Agreement may be terminated in certain circumstances. Please refer to the paragraph headed "THE SUBSCRIPTION AGREEMENT" for further information.

WARNING: As the Subscription Agreement may or may not complete, the Convertible Bonds may or may not be issued and/or the Conversion Shares may or may not be issued or listed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

INTRODUCTION

The directors of Wharf and Wheelock are pleased to announce that the Subscription Agreement was entered into on 17 May 2011 between (i) Wharf as issuer of the Conversion Shares, and guarantor for payment of all sums payable in relation to the Convertible Bonds, (ii) a wholly-owned subsidiary of Wharf, the Issuer as issuer of the Convertible Bonds, and (iii) the Sole Bookrunner.

Pursuant to the Subscription Agreement, the Sole Bookrunner has agreed to subscribe and pay for or to procure subscribers to subscribe and pay for the Convertible Bonds on the Issue Date in an aggregate principal amount of HK\$6,220,000,000.

The estimated net proceeds from the issue of the Convertible Bonds, after deduction of commissions and expenses, amount to approximately HK\$6,170,000,000. Wharf intends to use the net proceeds for financing or re-financing the Wharf Group's property investment and development, in Hong Kong and mainland China, and for general corporate purposes.

THE SUBSCRIPTION AGREEMENT

Date: 17 May 2011

Parties:

1. Wharf as issuer of the Conversion Shares and guarantor
2. the Issuer as issuer of the Convertible Bonds
3. the Sole Bookrunner

To the best of the knowledge, information and belief of the directors of Wharf, having made all reasonable enquiries, the Sole Bookrunner and its ultimate beneficial owners are third parties independent of, and not connected with, Wharf and the Issuer or any connected persons of Wharf and the Issuer.

Subscription

Subject to the fulfilment of the conditions set out below in the section headed "Conditions Precedent", the Issuer has agreed to issue, and the Sole Bookrunner has agreed to subscribe and pay for, or to procure subscribers to subscribe and pay for, the Convertible Bonds on the Issue Date in an aggregate principal amount of HK\$6,220,000,000.

Wharf has agreed to guarantee payment of all sums payable by the Issuer in relation to the Convertible Bonds.

The Sole Bookrunner has informed Wharf that it intends to offer and sell the Convertible Bonds to not less than six independent places. The Convertible Bonds will be offered and sold to persons whose ordinary business involves buying, selling or investing in securities outside the United States in reliance upon Regulation S of the Securities Act. None of the Convertible

Bonds will be offered to the retail public in Hong Kong, nor will they be placed with any connected persons of Wharf. To the best of knowledge, information and belief of the directors of Wharf, having made all reasonable enquiries, such placees and their ultimate beneficial owners are third parties independent of, and not connected with, Wharf and the Issuer or any connected persons of Wharf and the Issuer.

Conditions Precedent

The obligation of the Sole Bookrunner to subscribe and pay for the Convertible Bonds is subject to, among others, the following conditions precedent:

1. the Subscription Agreement, the Trust Deed and the Paying, Conversion and Transfer Agency Agreement, each in a form satisfactory to the Sole Bookrunner, having been executed by all parties thereto on or prior to the Issue Date;
2. the SGX-ST having agreed, subject to any conditions satisfactory to the Sole Bookrunner, to list the Convertible Bonds or the Sole Bookrunner being reasonably satisfied that such listing will be granted;
3. the Stock Exchange having agreed, subject to any conditions satisfactory to the Sole Bookrunner, to list the Conversion Shares or the Sole Bookrunner being reasonably satisfied that such listing will be granted;
4. delivery to the Sole Bookrunner of comfort letters from Wharf's auditors in relation to certain financial information about Wharf, in form and substance satisfactory to the Sole Bookrunner;
5. delivery to the Sole Bookrunner of legal opinions as to British Virgin Islands law, Hong Kong law, English law in relation to, amongst other things, enforceability of the Subscription Agreement, each in form and substance satisfactory to the Sole Bookrunner; and
6. at the Issue Date there not having occurred any change (nor any development or event involving a prospective change), in the condition (financial or other), results of operations, prospects or general affairs of the Issuer, Wharf or the consolidated subsidiaries, associates and jointly controlled entities of Wharf, which, in the opinion of the Sole Bookrunner, is material and adverse in the context of the issue and offering of the Convertible Bonds.

If any of the conditions set forth above is not satisfied or waived on or prior to the Issue Date, the Sole Bookrunner shall be released and discharged from its obligations relating to the Convertible Bonds, save that the above condition 1 cannot be waived.

Termination

The Sole Bookrunner may, by notice to the Issuer and Wharf given at any time prior to payment of the net subscription monies for the Convertible Bonds to the Issuer and Wharf, terminate the Subscription Agreement in any of the following circumstances:

1. if there shall have come to the notice of the Sole Bookrunner any breach of, or any event rendering untrue or incorrect in any respect, any of the warranties and representations contained in the Subscription Agreement or any failure by the Issuer or Wharf to perform any of its respective undertakings or agreements in the Subscription Agreement;
2. if any of the conditions precedent has not been satisfied or waived by the Sole Bookrunner on or prior to the Issue Date;
3. if, in the opinion of the Sole Bookrunner, there shall have been, since the date of the Subscription Agreement, any change, or any development involving a prospective change, in national or international monetary, financial, political or economic conditions (including any disruption to trading generally, or trading in any securities of the Issuer or Wharf on any stock exchange or in any over-the-counter-market) or currency exchange rates or foreign exchange controls such as would in its view, be likely to prejudice materially the success of the offering and distribution of the Convertible Bonds or dealings in the Convertible Bonds in the secondary market;
4. if, in the opinion of the Sole Bookrunner after consultation with the Issuer and Wharf, where practicable, there shall have occurred any of the following events: (i) a suspension or a material limitation in trading in securities generally on the New York Stock Exchange, the London Stock Exchange plc, the Stock Exchange and/or any other stock exchange on which the Issuer's securities are traded; (ii) a suspension or a material limitation in trading in the Issuer's or Wharf's securities on the Stock Exchange and/or any other stock exchange on which the Issuer's or Wharf's securities are traded; (iii) a general moratorium on commercial banking activities in the United States, the PRC, Hong Kong and/or the United Kingdom declared by the relevant authorities or a material disruption in commercial banking or securities settlement or clearance services in the United States, the PRC, Hong Kong or the United Kingdom; or (iv) a change or development involving a prospective change in taxation affecting the Issuer, Wharf, the Convertible Bonds, the Conversion Shares or the transfer thereof; and
5. if, in the opinion of the Sole Bookrunner, there shall have occurred any event or series of events (including the occurrence of any local, national or international outbreak or escalation of disaster, hostility, insurrection, armed conflict, act of terrorism, act of God or epidemic) as would in its view be likely to prejudice materially the success of the offering and distribution of the Convertible Bonds or dealings in the Convertible Bonds in the secondary market.

Lock-up

Neither the Issuer nor Wharf nor any person acting on its or their behalf will, for a period from 17 May 2011 and ending 90 days after the Issue Date, without the prior written consent of the Sole Bookrunner, (a) issue, offer, sell, pledge, contract to sell or otherwise dispose of or grant options, issue warrants or offer rights entitling persons to subscribe or purchase any interest in any Shares or securities of the same class as the Convertible Bonds or the Shares or any securities convertible into, exchangeable for or which carry rights to subscribe or purchase the

Convertible Bonds, the Shares or securities of the same class as the Convertible Bonds, the Shares or other instruments representing interests in the Convertible Bonds, the Shares or other securities of the same class as them, (b) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of the ownership of the Shares, (c) enter into any transaction with the same economic effect as, or which is designed to, or which may reasonably be expected to result in, or agree to do, any of the foregoing, whether any such transaction of the kind described in (a), (b) or (c) is to be settled by delivery of Shares or other securities, in cash or otherwise or (d) announce or otherwise make public an intention to do any of the foregoing; except for the Convertible Bonds and the Conversion Shares and the issue of Shares pursuant to the employee share option scheme of Wharf.

Shareholders' Lock-up

Wheelock's subsidiaries, namely, WF Investment Partners Limited and Lynchpin Limited, will undertake not to sell any Shares or enter into other transactions with a similar effect for a period from 17 May 2011 up to 90 days after the Issue Date.

PRINCIPAL TERMS OF THE CONVERTIBLE BONDS

The principal terms of the Convertible Bonds are summarised as follows:

Issuer:	Wharf Finance (2014) Limited
Guarantor:	The Wharf (Holdings) Limited
Principal amount:	The aggregate principal amount of the Convertible Bonds will be HK\$6,220,000,000.
Issue and redemption price:	100% of the principal amount of the Convertible Bonds.
Interest:	The Convertible Bonds bear interest at the rate of 2.30% per annum payable semi-annually in arrear in each year.
Conversion period:	Subject to the provisions of the Convertible Bonds and the relevant Bondholder(s) complying with the procedures relating to conversion, Bondholder(s) may exercise conversion rights at any time on or after 17 July 2011 up to the close of business on the seventh day prior to the Maturity Date or, if such Convertible Bond(s) shall have been called for redemption by Wharf before the Maturity Date, then up to the close of business on a date no later than seven days prior to the date fixed for redemption thereof.
Conversion Price:	The initial Conversion Price is HK\$90.00 per Share, representing (i) a premium of 65.0% over the closing price of the Shares of HK\$54.55 quoted on the Stock Exchange on 17 May 2011, being the last trading price before the Subscription

Agreement was signed, (ii) a premium of 65.2% over the volume weighted average price of the Shares of HK\$54.47 for the last five trading days on the Stock Exchange up to and including 17 May 2011, and (iii) a premium of 63.3% over the volume weighted average price of the Shares of HK\$55.10 for the last ten trading days on the Stock Exchange up to and including 17 May 2011.

Assuming full conversion of the Convertible Bonds at the initial Conversion Price of HK\$90.00 per Share, the Convertible Bonds will be convertible into approximately 69.11 million Shares, representing approximately 2.28% of the issued share capital of Wharf as at the date of this announcement and approximately 2.23% of the issued share capital of Wharf as enlarged by the issue of the Conversion Shares.

The Conversion Price is subject to adjustment for, amongst other things, upon the occurrence of consolidation, subdivision or reclassification, capitalisation of profits or reserves, capital distributions, rights issues of Shares or options over Shares, rights issues of other securities, issues at less than 95% of the current market price, other issues at less than 95% of the current market price, modification of rights of conversion and other offers to Shareholders.

**Form of the
Convertible Bonds
and denomination:**

The Convertible Bonds will be evidenced by a global certificate. Definitive certificates, if required to be issued, will be in registered form in amounts of HK\$2,000,000.

**Status and Ranking of
the Convertible
Bonds and the
Guarantee:**

The Convertible Bonds will constitute direct, unsubordinated, unconditional and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Convertible Bonds and of Wharf's guarantee of the obligations of the Issuer in the Trust Deed shall, save for such exceptions as may be provided by mandatory provisions of applicable law and subject to the Negative Pledge as described below, at all times rank at least equally with all of their respective other present and future unsecured and unsubordinated obligations.

**Ranking of
Conversion Shares:**

The Conversion Shares to be issued upon conversion of the Convertible Bonds will be fully paid and rank *pari passu* in all respects with the Shares then in issue on the date the name of the holder of record of the number of Conversion Shares are registered as such in the register of members of Wharf.

Redemption at the option of the Issuer:

On or at any time prior to the Maturity Date, the Issuer may, on giving not less than 30 nor more than 90 days' notice to the Bondholders and the Trustee (which notice will be irrevocable), redeem all and not some only of the Convertible Bonds for the time being outstanding at their principal amount together with interest accrued and unpaid to the date fixed for redemption, if more than 90 per cent in aggregate principal amount of the Convertible Bonds originally issued has already been converted, redeemed or purchased and cancelled.

Redemption for taxation reasons:

At any time the Issuer may, on giving not less than 30 nor more than 60 days' notice to the Bondholders (which notice will be irrevocable), redeem all and not some only of the Convertible Bonds for the time being outstanding at their principal amount together with interest accrued and unpaid to the date fixed for redemption, if the Issuer or Wharf satisfies the Trustee immediately prior to the giving of such notice that (i) the Issuer (or Wharf) has or will become obliged to pay additional tax as a result of any change in, or amendment to, the laws or regulations of the British Virgin Islands, Hong Kong, or any jurisdiction through which any payment is made or any subdivision or any authority thereof or therein having power to tax, or any change in the general application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 17 May 2011 and (ii) such obligation cannot be avoided by the Issuer or Wharf taking reasonable measures available to it.

Redemption for delisting:

Each Bondholder shall have the right, at such Bondholder's option, to require the Issuer to redeem all, or some only, but not in part, of such Bondholder's Convertible Bonds at 100% of their principal amount together with accrued but unpaid interest to the date fixed for redemption upon the Shares ceasing to be listed or admitted to trading or the trading of which is suspended for a period of more than 30 consecutive trading days on the Stock Exchange.

Redemption for Change of Control

Following the occurrence of a Change of Control (as defined in the Convertible Bonds) of Wharf and subject to the relevant Bondholder complying with the procedures relating to such redemption, each Bondholder shall have the right, at such Bondholder's option, to require the Issuer to redeem all or some only, of such Bondholder's Convertible Bonds at 100% of their principal amount, together with accrued but unpaid interest to the date fixed for redemption.

Voting Rights: The Bondholders will not have any right to attend or vote at any shareholders' meeting of the Issuer and/or Wharf by virtue of them being Bondholders, and until and unless they have converted their Convertible Bonds into Shares.

Negative Pledge: Each of the Issuer and Wharf will undertake that, so long as any Convertible Bond remains outstanding (as defined in the Trust Deed), it will not, and in the case of Wharf, it will procure that none of its principal subsidiaries will, create or permit to subsist or arise any security interest upon the whole or any part of its present or future assets or revenues to secure any Relevant Indebtedness (as defined in the Convertible Bonds) or guarantee of or indemnity in respect of Relevant Indebtedness unless, at the same time or prior thereto (a) according to the Convertible Bonds the same security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity or (b) providing such other security for the Convertible Bonds as the Bondholders or such other security as the Bondholders by Extraordinary Resolution (as defined in the Trust Deed) may approve.

Listing: Application will be made for the listing of the Convertible Bonds on the SGX-ST. Wharf will also apply to the Stock Exchange for the listing of, and permission, to deal in the Conversion Shares.

EFFECT ON THE SHARE CAPITAL OF WHARF AS A RESULT OF CONVERSION

Assuming full conversion of the Convertible Bonds at the initial Conversion Price of HK\$90.00 per Share, the Convertible Bonds will be convertible into approximately 69.11 million Shares, representing approximately 2.28% of the issued share capital of Wharf as at the date of this announcement and approximately 2.23% of the issued share capital of Wharf as enlarged by the issue of the Conversion Shares. The Conversion Shares to be issued upon conversion of the Convertible Bonds will rank *pari passu* in all respects with the Shares then in issue on the relevant conversion date.

The following table summarises the potential effects on the shareholding structure of Wharf as a result of the issue of the Convertible Bonds (by reference to the shareholdings as at the date of this announcement and assuming full conversion of the Convertible Bonds):

<i>Name of Shareholder</i>	<i>Number of issued Shares</i>	<i>Approximate % of issued share capital of Wharf</i>	Assuming the Convertible Bonds are fully converted into Shares (subject to adjustment) at the initial Conversion Price of HK\$90.00 each	<i>Approximate % of issued share capital of Wharf</i>
			<i>Number of Shares</i>	
WF Investment Partners Limited	1,302,017,536	42.98	1,302,017,536	42.02%
Lynchpin Limited	213,267,072	7.04	213,267,072	6.88%
Sub-total	1,515,284,608	50.02	1,515,284,608	48.91%
Mr. Stephen T. H. Ng	804,445	0.03	804,445	0.03%
Mr. T. Y. Ng	220,294	0.01	220,294	0.01%
Sub-total	1,516,309,347	50.06	1,516,309,347	48.94%
Public Shareholders	1,512,937,980	49.94	1,512,937,980	48.83%
Bondholders	-	-	69,111,111	2.23%
Total	<u>3,029,247,327</u>	<u>100.00%</u>	<u>3,098,358,438</u>	<u>100.00%</u>

Notes:

- (1) *WF Investment Partners Limited, a company incorporated in the British Virgin Islands, a direct wholly-owned subsidiary of Wheelock and the direct controlling shareholder of Wharf.*
- (2) *Lynchpin Limited, a company incorporated in the British Virgin Islands, an indirect wholly-owned subsidiary of Wheelock and a direct substantial shareholder of Wharf.*
- (3) *Mr. Stephen T. H. Ng is a director of Wharf.*
- (4) *Mr. T. Y. Ng is a director of Wharf.*

LISTING RULE IMPLICATIONS FOR WHEELOCK

The issue of the Convertible Bonds constitutes a deemed disposal of a part of Wheelock's shareholding in Wharf as Wheelock's 50.02% shareholding in Wharf would fall to 48.91%, assuming the Convertible Bonds are converted in full. Nevertheless, notwithstanding that as a result thereof, Wheelock's shareholding interests in Wharf may possibly fall below 50% in future, Wheelock will continue to consolidate Wharf as a subsidiary in Wheelock's financial statements subsequent to such shareholding change.

As one of the applicable percentage ratios in respect of such deemed disposal exceeds 5%, while all such ratios are less than 25%, the entering into of the Subscription Agreement by Wharf constitutes a discloseable transaction for Wheelock under Chapter 14 of the Listing Rules.

USE OF PROCEEDS

The estimated net proceeds from the issue of the Convertible Bonds, after deduction of commissions and expenses, amount to approximately HK\$6,170 million. Wharf intends to use the net proceeds for financing or re-financing the Wharf Group's property investment and development, in Hong Kong and mainland China, and for general corporate purposes.

REASONS FOR THE ISSUE OF THE CONVERTIBLE BONDS

The issue of the Convertible Bonds will provide support for the development of the Wharf Group's core business segments and further strengthen the liquidity position of the Wharf Group.

GENERAL MANDATE

At the annual general meeting of Wharf held on 8 June 2010, an ordinary resolution was passed to grant General Mandate to the directors of Wharf to allot, issue and deal with up to 550,772,241 Shares, i.e. not exceeding, in aggregate, 20 per cent of the aggregate nominal amount of the share capital of Wharf in issue on the date of such annual general meeting, which was 2,753,861,207 Shares. The directors of Wharf have not exercised the power to allot and issue any new Shares pursuant to the General Mandate.

A new general mandate will be tabled for approval at the upcoming annual general meeting of Wharf which is to be held on 7 June 2011.

The Conversion Shares will be either issued under the General Mandate or such new general mandate.

FUND RAISING BY WHARF IN THE PAST TWELVE MONTHS

Save for the Rights Issue, Wharf has not conducted any fund raising exercises in connection with any issue of equity securities in the past 12 months immediately preceding the date of this announcement.

PRINCIPAL BUSINESS

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

APPLICATIONS FOR LISTING

Application will be made for the listing of the Convertible Bonds on the SGX-ST.

Wharf will also apply to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares.

Completion of the Subscription Agreement is subject to the satisfaction and/or waiver of the conditions precedent therein. In addition, the Subscription Agreement may be terminated in certain circumstances. Please refer to the paragraph headed “THE SUBSCRIPTION AGREEMENT” above for further information.

WARNING: As the Subscription Agreement may or may not complete, the Convertible Bonds may or may not be issued and/or the Conversion Shares may or may not be issued or listed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the meanings set out below:

“Bondholder(s)”	holder(s) of the Convertible Bonds from time to time
“connected person”	has the meaning given to it in the Listing Rules
“Convertible Bonds”	means the 2.30% Guaranteed Convertible Bonds due 2014 in an aggregate amount of HK\$6,220,000,000 to be issued by the Issuer
“Conversion Price”	the price per Share at which the Conversion Shares will be issued upon conversion of the Convertible Bonds, the initial conversion price being HK\$90.00 per Share (subject to adjustment)
“Conversion Shares”	means Shares to be allotted and issued by Wharf upon conversion of the Convertible Bonds
“General Mandate”	the general mandate granted to the directors of Wharf approved by the Shareholders at the annual general meeting held on 8 June 2010, to allot and issue the Shares, not exceeding the aggregate of 20 per cent of the aggregate nominal amount of the share capital of Wharf in issue on the date of such annual general meeting
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Date”	the date (expected to be on 7 June 2011 or such other date as Wharf and the Sole Bookrunner may agree) on which the Convertible Bonds are issued
“Issuer”	Wharf Finance (2014) Limited, a company incorporated under the laws of the British Virgin Islands with limited liability and

	which is a wholly-owned subsidiary of Wharf
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Maturity Date”	the date (expected to be on 7 June 2014) on which the Convertible Bonds are redeemed, if not converted, purchased or redeemed before that date
“Paying, Conversion and Transfer Agency Agreement”	a paying, conversion and transfer agency agreement to be entered into between the Issuer, Wharf, the Trustee and the paying agents
“PRC”	the People's Republic of China
“Rights Issue”	the issue of 275,386,120 Shares at a price of HK\$36.50 per Share on the basis of one Share for every ten existing Shares held on 24 February 2011
“Securities Act”	the US Securities Act of 1933 (as amended)
“Shareholders”	the shareholders of Wharf
“Shares”	ordinary shares of HK\$1.00 each in the capital of Wharf
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Sole Bookrunner”	Goldman Sachs (Asia) L.L.C.
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Agreement”	the conditional subscription agreement entered into between Wharf, the Issuer and the Sole Bookrunner dated 17 May 2011 in connection with the issue and subscription of the Convertible Bonds
“subsidiary”	has the meaning given to it in section 2(4) of the Companies Ordinance of Hong Kong (Chapter 32 of the Laws of Hong Kong)
“Trading Day”	a day on which the Stock Exchange is open for dealing business
“Trust Deed”	the trust deed to be entered into by Wharf and the Trustee
“Trustee”	the trustee under the Trust Deed
“Wharf”	The Wharf (Holdings) Limited (stock code: 4), a 50.02%-owned subsidiary of Wheelock incorporated in Hong

Kong with limited liability, and whose shares are listed on the Stock Exchange

“Wharf Group”

Wharf and its subsidiaries

“Wheelock”

Wheelock and Company Limited (stock code: 20), a company incorporated in Hong Kong with limited liability and whose shares are listed on the Stock Exchange

“Wheelock Group”

Wheelock and its subsidiaries

By order of the directors of
THE WHARF (HOLDINGS) LIMITED
Wilson W. S. Chan
Company Secretary

By order of the directors of
WHEELOCK AND COMPANY LIMITED
Wilson W. S. Chan
Company Secretary

Hong Kong, 17 May 2011

As at the date of this announcement, the board of directors of Wharf comprises Mr. Peter K. C. Woo, Mr. Stephen T. H. Ng, Ms. Doreen Y. C. Lee, Mr. T. Y. Ng and Mr. Paul Y. C. Tsui, together with six independent non-executive directors, namely, Hon. Paul M. P. Chan, Professor Edward K. Y. Chen, Dr. Raymond K. F. Ch'ien, Hon. Vincent K. Fang, Mr. Hans Michael Jebsen and Mr. James E. Thompson, and the board of directors of Wheelock 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.