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

**CONDITIONAL DECLARATION OF SPECIAL DIVIDEND
BY DISTRIBUTION IN SPECIE OF i-CABLE SHARES**

Reference is made to the Open Offer Prospectus and Open Offer Circular issued by i-CABLE, the announcement issued by Wheelock on 14 August 2017 in relation to the record date of the intended declaration of special dividend in the form of the Wheelock Distribution in Specie, and the announcement issued by Wharf on 25 August 2017 in relation to the Initial Distribution in Specie becoming unconditional and the Initial DIS Record remaining unchanged on 25 August 2017. Unless otherwise defined in the section headed “**Definitions**” in this announcement, capitalised terms used herein shall have the same meanings as defined in the Open Offer Circular.

Based on (i) the 1,869,956,608 Wharf Shares held by members of Wheelock Group, (ii) the 1,485,259,171 i-CABLE Shares registered in the names of the Controlling Shareholder Companies and (iii) the total number of Wharf Shares in issue (being 3,036,227,327 Wharf Shares) respectively as at 6:00 p.m. on the Initial DIS Record Date, Wheelock Group is entitled to 914,743,686 i-CABLE Shares (representing approximately 45.48% of the issued share capital of i-CABLE as at the trading day immediately preceding the date of this announcement) under the Initial Distribution in Specie. Pursuant to the grant of the Wheelock Waiver by the Executive on 26 May 2017, Wheelock will not be required to make a mandatory general offer for all i-CABLE Shares in issue and not already owned or agreed to be acquired by it in accordance with the Takeovers Code as a result of the Initial Distribution in Specie.

Basis of entitlement

The Board is pleased to announce that, on 28 August 2017, it resolved by way of written resolutions to declare a special dividend in the form of the Wheelock Distribution in Specie of the Relevant i-CABLE Shares, being 914,743,686 i-CABLE Shares registered in the names of members of Wheelock Group, to Wheelock Shareholders whose names appear on the register of members of Wheelock at 6:00 p.m. on the Wheelock DIS Record Date on a pro rata basis, conditional upon the completion of the Initial Distribution in Specie and the distribution of the Relevant i-CABLE Shares to Wheelock Group (which is currently expected to be on 7 September 2017).

Based on the 914,743,686 i-CABLE Shares to which Wheelock Group is entitled under the Initial Distribution in Specie and the 2,040,849,287 Wheelock Shares in issue as at the trading day immediately preceding the date of this announcement:

- (a) assuming that there is no change in the Wheelock Shares in issue since the trading day immediately preceding the date of this announcement and up to the Wheelock DIS Record Date, the Wheelock Distribution in Specie will be made in the proportion of 44.82171 i-CABLE Shares for every 100 Wheelock Shares then held; and

- (b) assuming full exercise of the present outstanding and vested share options of Wheelock which will entitle the grantees to subscribe for a total of 8,500,000 Wheelock Shares on or before 4:30 p.m. on Monday, 28 August 2017, being the latest time for lodging transfer(s) of Wheelock Shares for entitlement to the Wheelock Distribution in Specie, the Wheelock Distributions in Specie will be made in the proportion of 44.63581 i-CABLE Shares for every 100 Wheelock Shares then held.

If any calculation of a Wheelock Shareholder's entitlement to the Relevant i-CABLE Shares under the Wheelock Distribution in Specie would result in a fraction of an i-CABLE Share, such entitlement will be rounded down to the nearest whole number of i-CABLE Shares and no fraction of an i-CABLE Share will be distributed under the Wheelock Distribution in Specie. Fractional entitlements to the Relevant i-CABLE Shares and any Relevant i-CABLE Shares left undistributed (other than any Relevant i-CABLE Shares sold for the benefit of Wheelock Non-Qualifying Shareholders as set out in the section headed "**Wheelock Non-Qualifying Shareholders**" below) will be sold in the market and the net proceeds of such sale will be retained for the benefit of Wheelock.

Based on the closing price of HK\$0.29 per i-CABLE Share as traded on the Stock Exchange on the date immediately preceding the date of declaration of the special dividend by Wheelock Distribution in Specie, the aggregate market value of the Relevant i-CABLE Shares is approximately HK\$265 million, which equates to a distribution of:

- (a) approximately HK\$0.13 per Wheelock Share (assuming the number of Wheelock Shares in issue remains unchanged from the trading day immediately preceding the date of this announcement until completion of the Wheelock Distribution in Specie); or
- (b) approximately HK\$0.13 per Wheelock Share (assuming full exercise of the present outstanding and vested share options of Wheelock which will entitle the grantees to subscribe for a total of 8,500,000 Wheelock Shares on or before 4:30 p.m. on 28 August 2017, and that there will be no other change in the number of Wheelock Shares in issue since the trading day immediately preceding the date of this announcement until completion of the Wheelock Distribution in Specie).

The actual market value of the Relevant i-CABLE Shares to be distributed under the Wheelock Distribution in Specie will depend on the closing price of the i-CABLE Shares as at the date of completion of the Wheelock Distribution in Specie.

The Relevant i-CABLE Shares represent approximately 45.48% of the total number of i-CABLE Shares in issue as at the trading day immediately preceding the date of this announcement. The Relevant i-CABLE Shares will rank *pari passu* in all respects with each other and with the remaining i-CABLE Shares then in issue, save for any dividends or distributions declared, paid or made by i-CABLE prior to the Wheelock DIS Record Date.

Condition to the Wheelock Distribution in Specie

The Wheelock Distribution in Specie is conditional upon the completion of the Initial Distribution in Specie and the distribution of the Relevant i-CABLE Shares to Wheelock Group (which is currently expected to be on 7 September 2017). Such condition is not waivable and if it is not fulfilled, the Wheelock Distribution in Specie will not be implemented. Subject to the fulfillment of the above condition, the Relevant i-CABLE Shares distributed to Wheelock Group under the Initial Distribution in Specie will be distributed to Wheelock Qualifying Shareholders under the Wheelock Distribution in Specie.

Wheelock Non-Qualifying Shareholders

The Wheelock Distribution in Specie will be available to Wheelock Shareholders whose names appear on the register of members of Wheelock as at 6:00 p.m. on the Wheelock DIS Record Date.

As at the trading day immediately preceding the date of this announcement, there were 91 Wheelock Overseas Shareholders whose addresses as registered in the register of members of Wheelock were in 13 jurisdictions outside Hong Kong (namely, Australia, Brazil, Canada, France, Japan, Macau, Malaysia, New Zealand, Northern Ireland, Singapore, the People's Republic of China, the United Kingdom and the United States), who collectively held 446,079 Wheelock Shares in aggregate (representing approximately 0.0219% of the total number of Wheelock Shares in issue).

Wheelock had engaged legal counsels to ascertain whether or not there are any legal or regulatory requirements or restrictions which would make the extension of the Wheelock Distribution in Specie to Wheelock Overseas Shareholders whose addresses as shown on the register of members of Wheelock are located in the aforesaid overseas jurisdictions administratively prohibitive or inexpedient.

Having considered such advice provided by the legal counsels in the aforementioned overseas jurisdictions, the Board is of the view that:

- (a) with respect to Brazil, France, Japan, Macau, Malaysia, New Zealand, Northern Ireland, Singapore, the People's Republic of China, the United Kingdom and the United States (the "**Permitted Territories**"), Wheelock has been advised that there are no such legal or regulatory restrictions or Wheelock has met the relevant exemption requirement(s) in such overseas jurisdiction(s) which would exempt Wheelock from the obtaining of approval from the relevant regulatory authorities under the applicable laws and regulations of such overseas jurisdiction(s) for the purpose of the Wheelock Distribution in Specie. The Wheelock Distribution in Specie will accordingly be extended to Wheelock Overseas Shareholders whose addresses as shown on the register of members of Wheelock are in the Permitted Territories on the Wheelock DIS Record Date; and
- (b) with respect to Australia and Canada (the "**Specified Territories**"), Wheelock has been advised that there are applicable legal or regulatory requirements or restrictions and the Board considered that, as additional time and resources are required to ascertain the satisfaction of the relevant requirements or exemptions, it is expedient and beneficial to Wheelock and Wheelock Shareholders as a whole to exclude Wheelock Overseas Shareholders whose addresses as shown on the register of members of Wheelock are in the Specified Territories on the Wheelock DIS Record Date from receiving the Relevant i-CABLE Shares.

Accordingly, Wheelock Overseas Shareholders with registered addresses in the Specified Territories are considered as Wheelock Non-Qualifying Shareholders and will not be entitled to the Relevant i-CABLE Shares under the Wheelock Distribution in Specie. Arrangements will be made for the Relevant i-CABLE Shares which would otherwise be transferred to such Wheelock Non-Qualifying Shareholders to be sold in the market as soon as practicable, and the proceeds of such sale, after deduction of expenses, if not less than HK\$100 being distributable to each Wheelock Non-Qualifying Shareholder, will be distributed in Hong Kong dollars to the relevant Wheelock Non-Qualifying Shareholders at their own risk; and if the amount falling to be distributed to each Wheelock Non-Qualifying Shareholder is less than HK\$100, such amount will not be distributed but will be retained for the benefit of Wheelock.

Registration procedure for ascertaining entitlement to the Wheelock Distribution in Specie

In order to qualify for the Wheelock Distribution in Specie, all transfers of Wheelock Shares, accompanied by the relevant share certificates, must be lodged with the share registrar of Wheelock, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on Monday, 28 August 2017.

The Wheelock DIS Record Date for determining Wheelock Shareholders' entitlements to the Wheelock Distribution in Specie is at 6:00 p.m. on Monday, 28 August 2017.

Effects of the Wheelock Distribution in Specie

Immediately following the Wheelock Distribution in Specie, Wheelock Group will no longer have any shareholding interests in i-CABLE. The approximately 45.48% of the total number of i-CABLE Shares in issue that is expected to be distributed to Wheelock Group upon completion of the Initial Distribution in Specie would, upon completion of the Wheelock Distribution in Specie, be directly held by Wheelock Qualifying Shareholders or otherwise be sold in the market and relevant net proceeds be distributed to the Wheelock Non-Qualifying Shareholders or retained for the benefit of Wheelock (as the case may be).

Accordingly, upon completion of the Wheelock Distribution in Specie:

- (a) i-CABLE will cease to be a subsidiary of Wheelock, and the i-CABLE Group's financial information will no longer be incorporated into the consolidated financial statements of Wheelock Group;
- (b) it is expected that the revenue, assets and net asset value of Wheelock Group will decrease;
- (c) it is estimated that the total net asset value attributable to Wheelock Shareholders will be approximately HK\$224 billion; and
- (d) Wheelock Shareholders' equity in Wheelock Group will be reduced by the book carrying amount of consolidated net assets of the i-CABLE Group attributable to Wheelock Group of approximately HK\$161.5 million with reference to the unaudited financial information of Wheelock Group as at 30 June 2017.

Reasons for and Benefits of the Wheelock Distribution in Specie

As the Initial Distribution in Specie is not sufficient to ensure that the Public Float Requirement will be fulfilled by i-CABLE upon the close of the Open Offer, Wharf has, pursuant to its Undertaking, procured Wheelock to effect the Wheelock Distribution in Specie for this purpose.

Furthermore, the Board believes that the Wheelock Distribution in Specie will be beneficial to Wheelock Group as it is expected to provide Wheelock Qualifying Shareholders with an opportunity to directly participate in the investment of the i-CABLE Shares, and the flexibility to determine the level of their participation in investing in i-CABLE at their own discretion.

In light of the above, the Board considered that the Wheelock Distribution in Specie is in the interests of both Wheelock and Wheelock Shareholders.

Odd Lots Matching Service for the Relevant i-CABLE Shares

As stated in the announcement issued by i-CABLE on 24 July 2017, i-CABLE has, at its own costs, appointed BOCI Securities Limited ("**BOCI**") to provide matching service for sale and purchase of odd lots of i-CABLE Shares, on a best effort basis, to i-CABLE Shareholders who wish to acquire odd lots of i-CABLE Shares to make up a full board lot, or to dispose of their odd lots of i-CABLE Shares.

i-CABLE Shareholders (including Wheelock Qualifying Shareholders who have become i-CABLE Shareholders by virtue of the Wheelock Distribution in Specie) who wish to utilise the service should contact Mr. Law, Pak Hong Passe, Executive Director of the Retail Trading Department of BOCI at telephone number (852) 2718 9663 or at 18th Floor, Grand Millennium Plaza, 181 Queen's Road Central, Hong Kong, during the period from 9:00 a.m. on Thursday, 10 August 2017 to 4:00 p.m. on Tuesday, 31 October 2017 (or such other date as may be agreed between i-CABLE and BOCI and further announced by i-CABLE if so agreed), both days inclusive. Holders of odd lots of the i-CABLE Shares should note that successful matching of such sale and purchase is not guaranteed.

Completion of the Wheelock Distribution in Specie and Despatch of Share Certificates

The Relevant i-CABLE Shares will be transferred from Wheelock Group to Wheelock Qualifying Shareholders as of the Wheelock DIS Record Date upon completion of the Wheelock Distribution in Specie. The certificates for the Relevant i-CABLE Shares are expected to be issued and despatched by mail to the respective registered addresses of Wheelock Qualifying Shareholders, at their own risks, on 11 September 2017.

No action is required to be taken by the Wheelock Qualifying Shareholders to receive the certificates for the Relevant i-CABLE Shares as a result of the Wheelock Distribution in Specie. Wheelock Qualifying Shareholders will either receive the certificates for such Relevant i-CABLE Shares or where appropriate, investors holding Wheelock Shares through CCASS Participants will receive the Relevant i-CABLE Shares through their respective brokers or custodians who are CCASS clearing or custodian participants or through their CCASS Investor Participant stock account. Wheelock Qualifying Shareholders should seek the advice of their stockbrokers or other professional advisers for details of those settlement arrangements and how such arrangements will affect their rights and interests.

In the case of a joint holding of i-CABLE Shares, the certificate(s) for the Relevant i-CABLE Shares will be posted to the address of the person whose name stands first on the register of members of Wheelock in respect of such i-CABLE Shares at 6:00 p.m. on the Wheelock DIS Record Date.

Expected Timetable for the Wheelock Distribution in Specie

The current expected timetable for the Wheelock Distribution in Specie is set out below:

Last day of dealing in Wheelock Shares cum-entitlement to the Wheelock Distribution in Specie	Thursday, 24 August 2017
First day of dealing in Wheelock Shares ex-entitlement to the Wheelock Distribution in Specie	Friday, 25 August 2017
Latest time for lodging transfer(s) of Wheelock Shares for entitlement to the Wheelock Distribution in Specie	4:30 p.m. on Monday, 28 August 2017
Record Date for entitlement to the Wheelock Distribution in Specie	6:00 p.m. on Monday, 28 August 2017
Declaration of special dividend in the form of the Wheelock Distribution in Specie expected to become unconditional on	Friday, 7 September 2017
Despatch to Wheelock Shareholders of certificates in relation to the Relevant i-CABLE Shares distributed pursuant to the Wheelock Distribution in Specie	Monday, 11 September 2017

Note: All times and dates stated above refer to Hong Kong local times and dates. The above expected timetable is indicative only and may be varied by Wheelock. Should there be any change to the expected timetable, further announcement will be made by Wheelock as and when appropriate.

Effect of Bad Weather on the Expected Timetable for the Wheelock Distribution in Specie

The latest time for lodging transfer(s) of Wheelock Shares for entitlement to the Wheelock Distribution in Specie and/or the Wheelock DIS Record Date will not be valid if there is a tropical cyclone warning signal no. 8 or above, or a “black” rainstorm warning:

- (a) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on 28 August 2017. Instead the latest time for lodging transfer(s) of Wheelock Shares for entitlement to the Wheelock Distribution in Specie will be 5:00 p.m. on the same Business Day and the Wheelock DIS Record Date for determining Wheelock Shareholders' entitlements to the Wheelock Distribution in Specie shall remain unchanged at 6:00 p.m. on the same Business Day; or
- (b) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on 28 August 2017. Instead the latest time for lodging transfer(s) of Wheelock Shares for entitlement to the Wheelock Distribution in Specie and the Wheelock DIS Record Date for determining Wheelock Shareholders' entitlements to the Wheelock Distribution in Specie will be rescheduled to 4:30 p.m. and 6:00 p.m. respectively on the next Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:30 p.m.

INFORMATION ON WHEELOCK

The principal business activities of Wheelock Group are ownership of properties for development and letting, investment holding and container terminals.

INFORMATION ON i-CABLE

The i-CABLE Group is an integrated communications services provider in Hong Kong. It owns and operates a near universal wireline telecommunications network in Hong Kong to provide television, broadband, telephony and multimedia services to over two million households. It is also one of the largest producers of television, film and multimedia content based in Hong Kong for distribution over conventional and new media, with a particular focus on news, information, sports and entertainment.

DEFINITIONS

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

“Board”	the board of directors of Wheelock
“CCASS Investor Participant”	a person admitted to participate in CCASS as an investor participant who may be an individual or joint individuals or a corporation
“CCASS Participant(s)”	any person(s) admitted to participate in CCASS as a direct clearing participant, a general clearing participant, a custodian participant, or any CCASS Investor Participant
“i-CABLE”	i-CABLE Communications Limited (Stock Code: 1097), a company incorporated under the laws of Hong Kong and the shares of which are listed on the main board of the Stock Exchange
“i-CABLE Group”	i-CABLE and its subsidiaries i-CABLE and, for the purpose of the Underwriting Agreement, FTV and its subsidiaries
“i-CABLE Share(s)”	ordinary share(s) of i-CABLE
“i-CABLE Shareholder(s)”	holder(s) of the i-CABLE Shares

“Initial DIS Record Date”	the date by reference to which entitlements to the Initial Distribution in Specie are to be determined, which was 25 August 2017 as announced by Wharf on 9 August 2017
“Initial Distribution in Specie”	a distribution in specie of all i-CABLE Shares registered in the names of the Controlling Shareholder Companies to Wharf’s shareholders
“Macau”	Macau Special Administrative Region of the People’s Republic of China
“Open Offer Circular”	circular dated 12 May 2017 issued by i-CABLE, which is to be read together with the supplemental announcement dated 19 May 2017 issued by i-CABLE as a whole
“Open Offer Prospectus”	prospectus dated 10 August 2017 issued by i-CABLE
“Relevant i-CABLE Shares”	all the 914,743,686 i-CABLE Shares expected to be distributed by Wharf to Wheelock Group by way of the Initial Distribution in Specie, representing approximately 45.48% of the total number of i-CABLE Shares in issue as at the trading day immediately preceding the date of this announcement
“Wharf Share(s)”	ordinary share(s) of Wharf
“Wheelock”	Wheelock and Company Limited (Stock Code: 20), a company incorporated in Hong Kong whose shares are listed on the main board of the Stock Exchange
“Wheelock DIS Record Date”	the date by reference to which entitlements to the Wheelock Distribution in Specie are to be determined, which is 28 August 2017
“Wheelock Distribution in Specie”	a distribution in specie of the Relevant i-CABLE Shares, which were distributed to Wheelock Group under the Initial Distribution in Specie, to Wheelock Shareholders
“Wheelock Group”	Wheelock and its subsidiaries from time to time
“Wheelock Non-Qualifying Shareholder(s)”	Wheelock Overseas Shareholder(s) in respect of whom the Board, based on legal advice provided by legal advisers in the relevant jurisdictions, considers it necessary or expedient to exclude from the entitlement to the Relevant i-CABLE Shares under the Wheelock Distribution in Specie, on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“Wheelock Overseas Shareholder(s)”	Wheelock Shareholder(s) whose name(s) appear(s) on the register of members of Wheelock as at 6:00 p.m. on the Wheelock DIS Record Date and whose address(es) as shown on such register is/are outside Hong Kong

“Wheelock Qualifying Shareholder(s)”

Wheelock Shareholder(s), other than Wheelock Non-Qualifying Shareholder(s), whose name(s) appear(s) on the register of members of Wheelock as at 6:00 p.m. on the Wheelock DIS Record Date

“Wheelock Share(s)”

ordinary share(s) of Wheelock

“Wheelock Shareholder(s)”

holder(s) of Wheelock Share(s)

By Order of the Board
WHEELOCK AND COMPANY LIMITED
Wilson W. S. Chan
Company Secretary

Hong Kong, 28 August 2017

As at the date of this announcement, the Board comprises Mr. Douglas C. K. Woo, Mr. Stephen T. H. Ng, Mr. Stewart C. K. Leung, Mr. Paul Y. C. Tsui, Mr. Ricky K. Y. Wong and Mrs. Mignonne Cheng, together with seven Independent Non-executive Directors, namely, Mr. Tak Hay Chau, Mr. Winston K. W. Leong, Mr. Alan H. Smith, Mr. Richard Y. S. Tang, Mr. Kenneth W. S. Ting, Ms. Nancy S. L. Tse and Mr. Glenn S. Yee.