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If you have sold all your shares in **NEW WORLD DEVELOPMENT COMPANY LIMITED**, you should at once hand this document and the accompanying proxy form to the purchaser or to the bank, the licensed securities dealer or other agent through whom the sale was effected for transmission to the purchaser.

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新世界發展有限公司

New World Development Company Limited

(incorporated in Hong Kong with limited liability)

(Stock Code : 0017)

**PROPOSALS INVOLVING
GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE SHARES
AND RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of New World Development Company Limited (the "Company") to be held at Meeting Room N101B (Expo Drive Entrance), Hong Kong Convention & Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong on Wednesday, 24 November 2010, at 11:45 a.m. is set out on pages 14 to 17 of this document. Whether or not you propose to attend the meeting, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the Company's share registrar, Tricor Tengis Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the meeting or the adjourned meeting (as the case may be). Completion and return of a proxy form will not preclude shareholders from attending and voting at the annual general meeting if they so wish.

CONTENTS

	Page
DEFINITIONS	1
LETTER FROM THE MANAGING DIRECTOR	
Introduction	3
General Mandate to Repurchase Shares	4
General Mandate to Issue Shares	4
Re-election of the Retiring Directors	4
Annual General Meeting	4
Action To Be Taken	5
Voting by way of poll	5
Recommendation	5
APPENDIX I – EXPLANATORY STATEMENT	6
APPENDIX II – DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION	9
NOTICE OF ANNUAL GENERAL MEETING	14

DEFINITIONS

In this document, the following expressions have the following meanings unless the context requires otherwise:

“Annual General Meeting”	the annual general meeting of the Company to be held at Meeting Room N101B (Expo Drive Entrance), Hong Kong Convention & Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong on Wednesday, 24 November 2010 at 11:45 a.m., notice of which is set out on pages 14 to 17 of this document
“Companies Ordinance”	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong)
“Company”	New World Development Company Limited, a company incorporated in Hong Kong with limited liability under the Companies Ordinance, the shares of which are listed on the Stock Exchange
“Directors”	directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of The People’s Republic of China
“Latest Practicable Date”	19 October 2010, being the latest practicable date prior to the printing of this document
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Repurchase Proposal”	the proposal to give a general mandate to the Directors to exercise the powers of the Company to repurchase during the period as set out in the Repurchase Resolution Shares up to a maximum of 10% of the issued share capital of the Company as at the date of the Repurchase Resolution
“Repurchase Resolution”	the proposed ordinary resolution as referred to in resolution no. 5 of the notice of the Annual General Meeting
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

DEFINITIONS

“Share(s)”	fully paid-up share(s) of HK\$1.00 each in the share capital of the Company
“Share Repurchase Rules”	the relevant rules set out in the Listing Rules to regulate the repurchase by companies with primary listing on the Stock Exchange of their own securities on the Stock Exchange
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong



新世界發展有限公司

New World Development Company Limited

(incorporated in Hong Kong with limited liability)

(Stock Code : 0017)

Directors:

Executive Directors:

Dato' Dr. CHENG Yu-Tung (*Chairman*)
Dr. CHENG Kar-Shun, Henry (*Managing Director*)
Dr. SIN Wai-Kin, David
Mr. LIANG Chong-Hou, David
Mr. LEUNG Chi-Kin, Stewart
Mr. CHENG Chi-Kong, Adrian
Mr. CHENG Chi-Heng

Non-executive directors:

Mr. CHENG Kar-Shing, Peter
Mr. CHOW Kwai-Cheung
Mr. LIANG Cheung-Biu, Thomas
Ms. KI Man-Fung, Leonie, JP

Independent non-executive directors:

Mr. YEUNG Ping-Leung, Howard
Dr. CHA Mou-Sing, Payson, JP
(*alternate director to Dr. Cha Mou-Sing, Payson:*
Mr. CHA Mou-Zing, Victor)
Mr. HO Hau-Hay, Hamilton
Mr. LEE Luen-Wai, John, JP

Registered Office:

30th Floor,
New World Tower,
18 Queen's Road Central,
Hong Kong

26 October 2010

*To the shareholders and, for information purposes only,
the holders of the outstanding share options of the Company*

Dear Sir or Madam,

**PROPOSALS INVOLVING
GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE SHARES
AND RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information, and to seek your approval for the proposals involving general mandates to allot, issue and deal with Shares and to repurchase Shares and re-election of retiring Directors at the Annual General Meeting.

LETTER FROM THE MANAGING DIRECTOR

2. GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on 9 December 2009, a general mandate was given to the Directors to exercise the powers of the Company to repurchase Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. The Directors propose to seek your approval of the Repurchase Resolution to be proposed at the Annual General Meeting. An explanatory statement as required under the Share Repurchase Rules to provide the requisite information of the Repurchase Proposal is set out in Appendix I hereto.

3. GENERAL MANDATE TO ISSUE SHARES

It will also be proposed at the Annual General Meeting two ordinary resolutions respectively granting to the Directors a general mandate to allot, issue and deal with Shares not exceeding 20% of the issued share capital of the Company at the date of the resolution and adding to such general mandate so granted to the Directors any Shares representing the aggregate nominal amount of the Shares repurchased by the Company after the granting of the general mandate to repurchase up to 10% of the issued share capital of the Company at the date of the Repurchase Resolution.

4. RE-ELECTION OF THE RETIRING DIRECTORS

Pursuant to Article 103(A) of the Articles of Association of the Company, Dato' Dr. Cheng Yu-Tung, Mr. Ho Hau-Hay, Hamilton, Mr. Lee Luen-Wai, John, Mr. Liang Cheung-Biu, Thomas and Mr. Cheng Chi-Kong, Adrian shall retire from office and being eligible, offer themselves for re-election at the Annual General Meeting.

Mr. Cheng Chi-Heng was appointed as Director by the Directors on 1 June 2010. Pursuant to Article 94 of the Articles of Association of the Company, Mr. Cheng Chi-Heng shall hold office only until the Annual General Meeting and shall be eligible and offer himself for re-election.

Details of the retiring Directors proposed to be re-elected at the Annual General Meeting are set out in Appendix II hereto.

5. ANNUAL GENERAL MEETING

Set out on pages 14 to 17 of this document is the notice convening the Annual General Meeting to be held at Meeting Room N101B (Expo Drive Entrance), Hong Kong Convention & Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong on Wednesday, 24 November 2010 at 11:45 a.m.

At the Annual General Meeting, resolutions will be proposed to the Shareholders in respect of ordinary business to be considered at the Annual General Meeting, including the re-election of Directors, and special business to be considered at the Annual General Meeting, being the Ordinary Resolutions proposed to approve the general mandates to repurchase Shares and to issue new Shares and the extension of the general mandate to issue new Shares.

LETTER FROM THE MANAGING DIRECTOR

6. ACTION TO BE TAKEN

A proxy form for use at the Annual General Meeting is enclosed herewith. Whether or not you intend to attend the Annual General Meeting, you are requested to complete the proxy form and return it to the Company's share registrar, Tricor Tengis Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting or the adjourned meeting (as the case may be). Completion and return of a proxy form will not prevent Shareholders from attending and voting at the Annual General Meeting if they so wish.

7. VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, all votes at the Annual General Meeting will be taken by poll and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

8. RECOMMENDATION

The Directors believe that the Repurchase Proposal, the proposed general mandate for Directors to issue new Shares and the proposed re-election of the retiring Directors are all in the best interests of the Company and its Shareholders. Accordingly, the Directors recommend that all Shareholders should vote in favour of the resolutions to be proposed at the Annual General Meeting to give effect to them.

Yours faithfully,
For and on behalf of
New World Development Company Limited
Dr. CHENG Kar-Shun, Henry
Managing Director

This appendix serves as an explanatory statement required under Rule 10.06(1)(b) of the Listing Rules to provide you with the information necessary for your consideration of the Repurchase Proposal.

This appendix also constitutes the memorandum required under Section 49BA(3) of the Companies Ordinance.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 3,917,988,547 Shares.

Subject to the passing of the Repurchase Resolution and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Repurchase Resolution to repurchase a maximum of 391,798,854 Shares representing not more than 10% of the issued share capital of the Company at the Latest Practicable Date.

2. REASONS FOR REPURCHASE

The Directors believe that the Repurchase Proposal is in the best interests of the Company and its Shareholders. Such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or earnings per Share of the Company and will only be made when the Directors believe that such a repurchase will benefit the Company and its Shareholders.

3. FUNDING OF REPURCHASE

In repurchasing any Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum and articles of association and the Companies Ordinance. The Companies Ordinance provides that the amount of capital repaid in connection with a share repurchase may only be paid from the distributable profits of the Company and/or the proceeds of a new issue of Shares, made for the purpose of the repurchase to such an extent allowable under the Companies Ordinance.

There might be an adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited accounts contained in the annual report for the year ended 30 June 2010 in the event that the power to repurchase Shares pursuant to the Repurchase Proposal was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the power to repurchase Shares pursuant to the Repurchase Proposal to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

4. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange in each of the previous twelve months before the Latest Practicable Date are as follows:–

	Shares	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
October 2009	18.84	16.02
November 2009	17.30	15.50
December 2009	17.18	15.02
January 2010	15.92	12.52
February 2010	14.40	12.72
March 2010	15.84	14.50
April 2010	16.20	13.68
May 2010	14.00	11.60
June 2010	13.50	11.66
July 2010	14.60	12.70
August 2010	15.14	12.30
September 2010	15.68	12.28
October 2010 (up to the Latest Practicable Date)	17.10	15.78

5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Resolution and in accordance with the Listing Rules and the applicable laws of Hong Kong.

None of the Directors nor, to the best of their knowledge and belief having made all reasonable enquiries, their associates, have any present intention to sell any Shares to the Company or its subsidiaries under the Repurchase Proposal if such is approved by the Shareholders.

No other connected persons of the Company (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to do so, in the event that the Repurchase Proposal is approved by the Shareholders.

6. TAKEOVERS CODE

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Proposal, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, Cheng Yu Tung Family (Holdings) Limited, indirectly through its subsidiaries, held 1,568,287,585 Shares representing approximately 40.03% of the issued share capital of the Company. In the event the Directors exercised in full the power to repurchase Shares pursuant to the Repurchase Proposal, then (if the present shareholding remains the same) the deemed interest of Cheng Yu Tung Family (Holdings) Limited would be increased to approximately 44.48% of the issued share capital of the Company.

In the event that the Repurchase Proposal is exercised in full, an obligation to make a general offer to Shareholders under Rules 26 and 32 of the Takeovers Code may arise. The Directors have no present intention to exercise the power to repurchase Shares pursuant to the Repurchase Proposal to such an extent as to result in takeover obligations. In the event that the Repurchase Proposal is exercised in full, the number of Shares held by the public would not fall below 25%.

7. SHARE REPURCHASES MADE BY THE COMPANY

The Company had not purchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

Dato' Dr. Cheng Yu-Tung *DPMS, LLD(Hon), DBA(Hon), DSSc(Hon), GBM*

Aged 85, was appointed as Director in May 1970 and has been the Chairman since 1982. Dr. Cheng is the Chairman of New World Hotels (Holdings) Limited and a Director of certain subsidiaries of the Group. Dr. Cheng is also a Non-executive Director of Shun Tak Holdings Limited and SJM Holdings Limited, the Chairman of Melbourne Enterprises Limited and the Non-executive Chairman of Lifestyle International Holdings Limited, all being listed public companies in Hong Kong. Dr. Cheng was an Independent Non-executive Director of Hang Seng Bank Limited (a listed public company in Hong Kong) until 6 May 2009. Except as disclosed, Dr. Cheng did not hold directorship in other listed public companies in the past three years or any position with the Company or other members of the Group. Dr. Cheng was awarded Grand Bauhinia Medal by the Government of the Hong Kong Special Administrative Region in 2008.

There is no service contract between the Company and Dr. Cheng. He is not appointed for a specific term except that he is subject to retirement by rotation in accordance with the articles of association of the Company. His emoluments comprise a director's fee to be reviewed and determined by the Board of Directors annually with the authorization granted by the Shareholders at an annual general meeting of the Company annually and with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market condition. For the financial year ended 30 June 2010, his emoluments comprise director's fee of HK\$250,000 from the Company.

Dr. Cheng is the Chairman of Chow Tai Fook Enterprises Limited, and a Director of Cheng Yu Tung Family (Holdings) Limited and Centennial Success Limited, all of them are substantial shareholders of the Company. Dr. Cheng is the father of Dr. Cheng Kar-Shun, Henry and Mr. Cheng Kar-Shing, Peter, and the grandfather of Mr. Cheng Chi-Kong, Adrian and Mr. Cheng Chi-Heng. Except as disclosed, Dr. Cheng does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Dr. Cheng has personal interest in 36,710,652 underlying shares of the Company attached to the share options granted by the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Dr. Cheng is not aware of any other matters or information that need to be brought to the attention of the Shareholders or to be disclosed pursuant to any of the requirements set out in Rules 13.51(2)(h) to (v) of the Listing Rules in connection with his re-election.

Mr. Ho Hau-Hay, Hamilton

Aged 59, was appointed as Non-executive Director in August 2004 and re-designated as Independent Non-executive Director in November 2007. Mr. Ho was an alternate Director of the Company from 7 January 2004 to 29 August 2004. Mr. Ho is a Member of the Audit Committee and the Remuneration Committee of the Board of Directors of the Company. He is also a Non-executive Director of King Fook Holdings Limited (a listed public company in Hong Kong). He was an Independent Non-executive Director of CITIC Pacific Limited and a Non-executive Director of Dah Chong Hong Holdings Limited, both being listed public companies in Hong Kong, until 1 January 2010. He is also an Executive Director of Honorway Investments Limited and Tak Hung (Holding) Company Limited. Except as disclosed, Mr. Ho did not hold directorship in other listed public companies in the past three years or any position with the Company or other members of the Group.

There is no service contract between the Company and Mr. Ho. He is not appointed for a specific term except that he is subject to retirement by rotation in accordance with the articles of association of the Company. His emoluments comprise a director's fee to be reviewed and determined by the Board of Directors annually with the authorization granted by the Shareholders at an annual general meeting of the Company annually and with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market condition. For the financial year ended 30 June 2010, his emoluments comprise director's fee of HK\$280,000 from the Company.

Mr. Ho does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Ho has corporate interest in 439,177 shares of the Company and personal interest in 201,153 underlying shares of the Company attached to the share options granted by the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Ho is not aware of any other matters or information that need to be brought to the attention of the Shareholders or to be disclosed pursuant to any of the requirements set out in Rules 13.51(2)(h) to (v) of the Listing Rules in connection with his re-election.

Mr. Lee Luen-Wai, John JP

Aged 61, was appointed as Independent Non-executive Director in August 2004. Mr. Lee is a Member of the Audit Committee and the Remuneration Committee of the Board of Directors of the Company. Mr. Lee is also the Managing Director and Chief Executive Officer of Lippo Limited and an Executive Director of Lippo China Resources Limited and Hongkong Chinese Limited as well as an Independent Non-executive Director of New World China Land Limited, all being listed public companies in Hong Kong. He is also a Non-executive Director of Export and Industry Bank, Inc., a listed company in the Republic of Philippines. He was a Non-executive Director of Medco Holdings, Inc., a listed company in the Republic of Philippines, up to his resignation on 23 July 2009. Except as disclosed, Mr. Lee did not hold directorship in other listed public companies in the past three years or any position with the Company or other members of the Group.

Mr. Lee is a Fellow Member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants, and an Associate Member of The Institute of Chartered Accountants in England and Wales. He was a partner of Price Waterhouse (now PricewaterhouseCoopers) in Hong Kong and has extensive experience in corporate finance and capital markets. Mr. Lee is an Honorary Fellow of the City University of Hong Kong. He serves as a member on a number of Hong Kong Government Boards and Committees including as a member of the Hospital Authority and the Chairman of its Finance Committee. He is also the Chairman and the Trustee of the Hospital Authority Provident Fund Scheme, as well as the Chairman of the Queen Elizabeth Hospital Governing Committee. In addition, Mr. Lee serves as a member of Non-local Higher and Professional Education Appeal Board.

There is no service contract between the Company and Mr. Lee. He is not appointed for a specific term except that he is subject to retirement by rotation in accordance with the articles of association of the Company. His emoluments comprise a director's fee to be reviewed and determined by the Board of Directors annually with the authorization granted by the Shareholders at an annual general meeting of the Company annually and with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market condition. For the financial year ended 30 June 2010, his emoluments comprise director's fee of HK\$280,000 from the Company and other emoluments of HK\$200,000 from the Group.

Mr. Lee does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Lee has personal interest in 301,731 underlying shares of the Company attached to the share options granted by the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Lee is not aware of any other matters or information that need to be brought to the attention of the Shareholders or to be disclosed pursuant to any of the requirements set out in Rules 13.51(2)(h) to (v) of the Listing Rules in connection with his re-election.

Mr. Liang Cheung-Biu, Thomas

Aged 63, was appointed as Non-executive Director in August 2004. Mr. Liang is a Non-executive Director of Miramar Hotel and Investment Company, Limited (a listed public company in Hong Kong) and the Group Chief Executive of Wideland Investors Limited. Except as disclosed, Mr. Liang did not hold directorship in other listed public companies in the past three years or any position with the Company or other members of the Group. Mr. Liang has extensive experience in financial management, corporate finance, banking, real estate development and equity investment.

There is no service contract between the Company and Mr. Liang. He is not appointed for a specific term except that he is subject to retirement by rotation in accordance with the articles of association of the Company. His emoluments comprise a director's fee to be reviewed and determined by the Board of Directors annually with the authorization granted by the Shareholders at an annual general meeting of the Company annually and with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market condition. For the financial year ended 30 June 2010, his emoluments comprise director's fee of HK\$150,000 from the Company.

Mr. Liang is the cousin of Mr. Liang Chong-Hou, David. Except as disclosed, Mr. Liang does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Liang has personal interest in 5,215 shares of the Company and 201,153 underlying shares of the Company attached to the share options granted by the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Liang is not aware of any other matters or information that need to be brought to the attention of the Shareholders or to be disclosed pursuant to any of the requirements set out in Rules 13.51(2)(h) to (v) of the Listing Rules in connection with his re-election.

Mr. Cheng Chi-Kong, Adrian

Aged 30, was appointed as an Executive Director in March 2007. Mr. Cheng is an Executive Director of New World China Land Limited, New World Department Store China Limited and International Entertainment Corporation, all being listed public companies in Hong Kong. He is also a director of certain subsidiaries of the Group. Except as disclosed, Mr. Cheng did not hold directorship in other listed public companies in the past three years or any position with the Company or other members of the Group.

Mr. Cheng has worked in a major international bank prior to joining the Group in September 2006 and has substantial experience in corporate finance. Mr. Cheng holds a Bachelor of Arts Degree (cum laude) from Harvard University. He is the Vice-chairman of All-China Youth Federation, a Member of the Tianjin Municipal Committee of The Chinese People's Political Consultative Conference, a Consultant of the Beijing Municipal Committee of The Chinese People's Political Consultative Conference, Chairman of China Young Leaders Foundation and the Honorary Chairman of Fundraising Committee, Wu Zhi Qiao (Bridge to China) Charitable Foundation.

There is no service contract between the Company and Mr. Cheng. He is not appointed for a specific term except that he is subject to retirement by rotation in accordance with the articles of association of the Company. His emoluments comprise a director's fee to be reviewed and determined by the Board of Directors annually with the authorization granted by the Shareholders at an annual general meeting of the Company annually and with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market condition. For the financial year ended 30 June 2010, his emoluments comprise director's fee of HK\$200,000 from the Company and other emoluments of HK\$6,980,000 from the Group.

Mr. Cheng is a Director of Centennial Success Limited and Chow Tai Fook Enterprises Limited, both are substantial shareholders of the Company. He is the grandson of Dr. Cheng Yu-Tung, the son of Dr. Cheng Kar-Shun, Henry, the nephew of Mr. Cheng Kar-Shing, Peter and the cousin of Mr. Cheng Chi-Heng. Except as disclosed, Mr. Cheng does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Cheng has personal interest in 502,885 underlying shares of the Company attached to the share options granted by the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Cheng is not aware of any other matters or information that need to be brought to the attention of the Shareholders or to be disclosed pursuant to any of the requirements set out in Rules 13.51(2)(h) to (v) of the Listing Rules in connection with his re-election.

Mr. Cheng Chi-Heng

Aged 32, was appointed as an Executive Director in June 2010. Mr. Cheng had worked in Yu Ming Investment Management Limited from 1999 to 2000 as a corporate finance executive. He obtained his Bachelor of Arts degree majoring in Economics from the University of Western Ontario, Ontario, Canada in 1999. Mr. Cheng did not hold directorship in other listed public companies in the past three years or any position with the Company or other members of the Group.

There is no service contract between the Company and Mr. Cheng. He is not appointed for a specific term except that he is subject to retirement by rotation in accordance with the articles of association of the Company. His emoluments comprise a director's fee to be reviewed and determined by the Board of Directors annually with the authorization granted by the Shareholders at an annual general meeting of the Company annually and with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market condition. For the financial year ended 30 June 2010, his emoluments comprise director's fee of HK\$16,667 from the Company.

Mr. Cheng is a Director of Chow Tai Fook Enterprises Limited which is a substantial shareholder of the Company. He is the grandson of Dr. Cheng Yu-Tung, the son of Mr. Cheng Kar-Shing, Peter, the nephew of Dr. Cheng Kar-Shun, Henry and the cousin of Mr. Cheng Chi-Kong, Adrian. Except as disclosed, Mr. Cheng does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Cheng does not have any interest in shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Cheng is not aware of any other matters or information that need to be brought to the attention of the Shareholders or to be disclosed pursuant to any of the requirements set out in Rules 13.51(2)(h) to (v) of the Listing Rules in connection with his re-election.

NOTICE OF ANNUAL GENERAL MEETING



新世界發展有限公司

New World Development Company Limited

(incorporated in Hong Kong with limited liability)

(Stock Code : 0017)

NOTICE IS HEREBY GIVEN that an Annual General Meeting of the Company will be held at Meeting Room N101B (Expo Drive Entrance), Hong Kong Convention & Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong on Wednesday, 24 November 2010 at 11:45 a.m. for the following purposes:

1. To consider and adopt the audited Statement of Accounts and the Reports of the Directors and the Independent Auditors for the year ended 30 June 2010.
2. To declare a final dividend.
3. To re-elect Directors and authorise the Board of Directors to fix their remuneration, including:
 - (a) to re-elect Dato' Dr. Cheng Yu-Tung as Director;
 - (b) to re-elect Mr. Ho Hau-Hay, Hamilton as Director;
 - (c) to re-elect Mr. Lee Luen-Wai, John as Director;
 - (d) to re-elect Mr. Liang Cheung-Biu, Thomas as Director;
 - (e) to re-elect Mr. Cheng Chi-Kong, Adrian as Director;
 - (f) to re-elect Mr. Cheng Chi-Heng as Director; and
 - (g) to authorise the Board of Directors to fix the remuneration of the Directors.
4. To re-appoint Joint Auditors and authorise the Board of Directors to fix their remuneration.
5. As special business to consider and, if thought fit, pass with or without modifications, the following resolution as an Ordinary Resolution:

ORDINARY RESOLUTION

"THAT:

- (a) subject to paragraph (b) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of HK\$1.00 each in the capital of the Company on The Stock Exchange of Hong Kong Limited ("Stock Exchange") or any

NOTICE OF ANNUAL GENERAL MEETING

other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in connection with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

- (b) the aggregate nominal amount of shares of the Company which the Directors of the Company is authorised to repurchase pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution and the said approval shall be limited accordingly; and
- (c) for the purposes of this Resolution,

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

6. As special business to consider and, if thought fit, pass with or without modifications, the following resolution as an Ordinary Resolution:

ORDINARY RESOLUTION

“THAT:

- (a) subject to paragraph (c) below and pursuant to Section 57B of the Companies Ordinance, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK\$1.00 each in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue, (ii) an issue of shares as scrip dividends pursuant to the articles of association of the Company from time to time; (iii) an issue of shares under any option scheme or similar arrangement for the time being adopted for the grant or issue to employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (iv) an issue of shares upon conversion by the bondholders of their bonds into shares of the Company in accordance with the terms and conditions of an issue of convertible guaranteed bonds by the Company or a special purpose subsidiary wholly owned by the Company, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution, and the said approval shall be limited accordingly; and
- (d) for the purpose of this Resolution,

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means an offer of shares open for a period fixed by the Directors of the Company to the holders of shares of the Company on the register on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

NOTICE OF ANNUAL GENERAL MEETING

7. As special business to consider and, if thought fit, pass with or without modifications, the following resolution as an Ordinary Resolution:

ORDINARY RESOLUTION

“**THAT** subject to the passing of Resolution Nos. 5 and 6 set out in the notice convening this meeting, the general mandate granted to the Directors of the Company to allot and deal with additional shares pursuant to Resolution No. 6 set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares in the capital of the Company repurchased by the Company under the authority granted pursuant to Resolution No. 5 set out in the notice convening this meeting, provided that such amount of shares so repurchased shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the said Resolution.”

By Order of the Board
LEUNG Chi-Kin, Stewart
Company Secretary

Hong Kong, 26 October 2010

Notes:

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company.
2. To be valid, a proxy form, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be lodged with the Company's share registrar, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the meeting or the adjourned meeting (as the case may be).
3. The register of members of the Company will be closed from Wednesday, 17 November 2010 to Wednesday, 24 November 2010, both days inclusive, during which period no transfer of shares will be effected. In order to determine the entitlement to attend and vote at the Annual General Meeting, all shares transfers accompanied by the relevant share certificates, must be lodged with the Company's share registrar, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong for registration not later than 4:00 p.m. on Tuesday, 16 November 2010.
4. As at the date of this notice, the board of directors of the Company comprises (a) seven executive directors, namely Dato' Dr. Cheng Yu-Tung, Dr. Cheng Kar-Shun, Henry, Dr. Sin Wai-Kin, David, Mr. Liang Chong-Hou, David, Mr. Leung Chi-Kin, Stewart, Mr. Cheng Chi-Kong, Adrian and Mr. Cheng Chi-Heng; (b) four non-executive directors, namely Mr. Cheng Kar-Shing, Peter, Mr. Chow Kwai-Cheung, Mr. Liang Cheung-Biu, Thomas and Ms. Ki Man-Fung, Leonie; and (c) four independent non-executive directors, namely Mr. Yeung Ping-Leung, Howard, Dr. Cha Mou-Sing, Payson (alternate director to Dr. Cha Mou-Sing, Payson : Mr. Cha Mou-Zing, Victor), Mr. Ho Hau-Hay, Hamilton and Mr. Lee Luen-Wai, John.