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DA YU FINANCIAL HOLDINGS LIMITED
大禹金融控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 1073)

DISCLOSEABLE TRANSACTION
TREASURY MANAGEMENT INVESTMENT

THE TRANSACTION

On 13 September 2023, the Board resolved to, through the Purchaser (a direct wholly-owned subsidiary of the Company), purchase up to US\$6.5 million in nominal amount (equivalent to approximately HK\$50.8 million) of the Notes at a discount and the total consideration would not exceed HK\$30.0 million. The Purchaser purchased a nominal amount of US\$3.0 million at approximately HK\$15.6 million of the Notes as at the date of this announcement.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Treasury Management Investment is more than 5% but less than 25%, the Treasury Management Investment constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements of the Listing Rules.

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As the Treasury Management Investment is made on market over the counter via intermediaries, the identity of the ultimate seller(s) of the Notes is unknown to the Company. On this basis, to the knowledge, information and belief of the Directors after having made all reasonable enquiries, the counterparties and their respective ultimate beneficial owner(s) (if any) are and will be Independent Third Parties.

The consideration of the Treasury Management Investment is and will be paid in cash using the internal resources of the Group.

MAJOR TERMS OF THE NOTES

Issuer	:	NWD Finance (BVI) Limited
Guarantor	:	New World Development Company Limited
Outstanding size	:	US\$1 billion
Current credit rating of Notes	:	Nil
Coupon rate per annum	:	- 5.25%, to be reset at 7.889% over constant maturity 5-year US treasury yield on 22 June 2026 if not called on the Issuer's first call date - To be paid semi-annually. Deferrable and cumulative
Dividend stopper	:	In the event of any non-payment of coupons of the Notes, the Issuer shall not declare or pay any cash dividend for its shares and carry out any stock buyback until the payment of all outstanding coupons of the Notes (which, for the avoidance of doubt, shall include all coupons that have been deferred in previous periods)
Ranking	:	Senior unsecured
Maturity	:	Callable perpetual
Issuer's first call date	:	22 March 2026, and the Notes are callable any time subsequently
ISIN	:	XS2132986741

INFORMATION ON THE ISSUER AND THE GUARANTOR

According to the public information available to the Directors, the Issuer is a company incorporated in the British Virgin Islands with limited liability and its principal activity is issuance of securities. The Issuer is a wholly-owned subsidiary of the Guarantor.

According to the public information available to the Directors, the Guarantor is a company incorporated in Hong Kong with limited liability and, through its subsidiaries, engaged in property development and investment, development of, investment in and/or operation of roads, aviation, construction, insurance, hotel operations and other businesses (including facilities management, environment, logistic, department store, media and technology and other

strategic businesses) whose issued shares are listed on the Main Board of the Stock Exchange (stock code: 17).

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Issuer, the Guarantor and its ultimate beneficial owners are Independent Third Parties.

REASONS FOR AND BENEFITS OF THE TREASURY MANAGEMENT INVESTMENT

The Group is principally engaged in activities regulated by Securities and Futures Commission of Hong Kong and other activities, including dealing in securities, advising on securities, advising on corporate finance, asset management, money lending and securities and related services.

In the wake of the recent China real estate debacle, China and Hong Kong equities and credits have been hit hard lately, including the Notes. The Guarantor is a renowned Hong Kong-based conglomerate primarily engaged in property development and investment in Hong Kong and, to a lesser extent, China. With plentiful valuable assets and support from its controlling shareholder, Chow Tai Fook Enterprises Limited, the Board is sanguine about the financial standing of the Guarantor. Although the coupon payment of the Notes is discretionary, coupon suspension is extremely unusual. The Notes represent a rare opportunity to earn an attractive yield in unique market conditions. Accordingly, the Directors considered that the Treasury Management Investment is fair, reasonable, on normal commercial terms, and is in the interests of the Group and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Treasury Management Investment is more than 5% but less than 25%, the Treasury Management Investment constitutes a discloseable transactions of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following respective meanings:

“Board”	the board of Directors
“Company”	Da Yu Financial Holdings Limited, a company incorporated in Cayman Islands with limited liability whose issued shares are listed on the Main Board of the Stock Exchange (stock code: 1073)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules

“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Guarantor”	New World Development Company Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	party(ies) who is/are third party(ies) independent of the Company and its connected person(s) (as defined under the Listing Rules)
“Issuer”	NWD Finance (BVI) Limited
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Notes”	the perpetual notes issued by the Issuer with principal amount of US\$1 billion and coupon rate of 5.25% and the Issuer’s first call date of 22 March 2026 and guaranteed by the Guarantor
“PRC” or “China”	the People’s Republic of China (excluding, for the purpose of this announcement, Hong Kong, Macao Special Administrative Region of the PRC and Taiwan)
“Purchaser”	Yu Ming Investment Management Limited
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Treasury Management Investment”	investment in the Notes up to HK\$30 million
“US”	the United States of America
“US\$”	United States dollars, the lawful currency of the US
“%”	per cent.

By Order of the Board
DA YU FINANCIAL HOLDINGS LIMITED
Lee Wa Lun, Warren
Managing Director

Hong Kong, 9 January 2024

For the purpose of this announcement, the exchange rate of US\$1.00 = HK\$7.81 has been used for currency translation, where applicable. Such an exchange rate is for illustrative purposes and does not constitute representations that any amount in US\$ or HK\$ has been, could have been or may be converted at such a rate.

As at the date of this announcement, the Non-Executive Directors are Mr. Kuo Jen-Hao (Chairman) and Mr. Xu Haohao, the Executive Directors are Mr. Lee Wa Lun, Warren (Managing Director), Mr. Lam Chi Shing and Ms. Li Ming, and the Independent Non-Executive Directors are Mr. Chan Sze Chung, Mr. Suen Chi Wai and Mr. Sum Wai Kei, Wilfred.