HISTORY AND BUSINESS DEVELOPMENT

The Group’s history dates back to 1985 when it first entered into an agreement with The Hong Kong Trade Development Council in relation to a property site in Wan Chai through its predecessor, the NWD Group, which is one of the major Hong Kong-based property developers, for a composite development that includes the Renaissance Harbour View Hotel, the Grand Hyatt Hong Kong and the Hong Kong Convention and Exhibition Centre. The Group has been established primarily to own and invest in a portfolio of completed hotels located in Asia which are managed under internationally recognised hotel brands, with an initial focus on hotels located in Hong Kong. The initial hotel portfolio of the Group as at the Listing Date will be as follows:

- Grand Hyatt Hong Kong;
- Renaissance Harbour View Hotel; and
- Hyatt Regency TST.

Key Corporate and Business Development Milestones

The following events are the key corporate and business development milestones of the business of the Group:

1985 The NWD Group entered into an agreement with The Hong Kong Trade Development Council to develop Inland Lot 8593 in Wan Chai (on which Renaissance Harbour View Hotel and Grand Hyatt Hong Kong are located).

1989 Renaissance Harbour View Hotel (previously known as New World Harbour View Hotel) opened.

Grand Hyatt Hong Kong opened.

1998 The NWD Group entered into agreements with among others, the Land Development Corporation (the predecessor of the Urban Renewal Authority), to participate in the development of the site situated at No. 18 Hanoi Road, Kowloon and surrounding areas as residential accommodation, commercial areas, car parks and a hotel development, the hotel portion which would later become Hyatt Regency TST.

1999 Grand Hyatt Hong Kong launched Club at the Hyatt, which is a loyalty programme targeted at dining patrons.

2006 Renaissance Harbour View Hotel was awarded Hotel of The Year by Marriott International.

2007 Plateau Spa at Grand Hyatt Hong Kong was named among the “Top 15 World’s Best Spas” by Travel + Leisure Readers’ Poll.

Room refurbishment works for Renaissance Harbour View Hotel commenced.
2009

Hyatt Regency TST opened.

Plateau Spa at Grand Hyatt Hong Kong was named “Best Spa in Hong Kong” by Asia Spa & Wellness Awards for 2009.

Renaissance Harbour View Hotel was named “Best Employer in Hong Kong 2009” by Aon Hewitt.

2010

Grand Hyatt Hong Kong was awarded “Best Choice of Business Hotel” by National Geographic Traveler China, Gold List and “Best MICE Hotel in Hong Kong” by CEI Asia Industry Awards.

Renaissance Harbour View Hotel was named “Best Hotel Wedding Banquet — Hong Kong Island (Preferred Choice)” by ESDLife and received the “18 Districts Caring Employers Award”.

Hyatt Regency TST was awarded “Best New Hotel in Hong Kong” by TTG China and “Best Executive Suite Hong Kong” by Hurun Presidential Awards.

Dynasty at Renaissance Harbour View Hotel was awarded one Michelin star and was named among LuxeDining.com’s Hong Kong’s Best Restaurants.

2011

Grand Hyatt Hong Kong was recognised as one of the World’s Best Hotels by Institutional Investor, “Third Best Conference Hotel” by Smart Travel Asia and “Top 25 Hotels in Hong Kong/Macau/Taiwan” by TripAdvisor Travelers’ Choice.

Renaissance Harbour View Hotel was named “Best Hotel Wedding Banquet — Hong Kong Island (Preferred Choice)” by ESDLife.

Dynasty at Renaissance Harbour View Hotel was awarded one Michelin star and was named among Asia Tatler Dining’s Hong Kong and Macau’s Best Restaurants.

Hugo’s at Hyatt Regency TST received the “My Favourite French Restaurant” award at the U Favourite Food Awards Presentation Ceremony.

Grand Hyatt Hong Kong was recognised as one of Aon Hewitt’s “Best Employers in APAC 2011 — Hotels”.

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2012

Grand Hyatt Hong Kong received recognition as the “Best Meetings & Conventions Hotel” in Hong Kong by TTG China Travel Awards.

Renaissance Harbour View Hotel was named “Best Hotel Wedding Banquet — Hong Kong Island (Preferred Choice)” by ESDLife and received the “18 Districts Caring Employers Award”.

At the Wine Spectator’s “2012 Restaurant Wine List Awards”, Grand Hyatt Steakhouse and One Harbour Road at Grand Hyatt Hong Kong each received a “Best of Award of Excellence” and Grissini at Grand Hyatt Hong Kong received an “Award of Excellence”.

Dynasty at Renaissance Harbour View Hotel was awarded one Michelin star, named among Asia Tatler Dining’s Hong Kong and Macau’s Best Restaurants and received the “Best 50 Experience Award” from Food & Wine (China).

Grand Hyatt Hong Kong hosted the CLSA Investors’ Forum for the 19th consecutive year (1994-2012).

2013

NW Hotel Investments and the Company were established.

Grand Hyatt Hong Kong commenced renovations of its rooms and the Grand Ballroom.

Grand Hyatt Hong Kong received recognition as the “Best Hotel Events Team” and the “Third Best Hotel for Business Events” according to CEI Asia Pacific Industry Survey Readers’ Choice.

Grand Hyatt Steakhouse at Grand Hyatt Hong Kong was named among the “Top 20 Restaurants” in Hong Kong Tatler’s Best Restaurants.

Kaetsu at Grand Hyatt Hong Kong was named among Hong Kong Tatler’s Best Restaurants.

One Harbour Road at Grand Hyatt Hong Kong was named among Hong Kong Tatler’s Best Restaurants and ranked 15th in “Asia’s Top 20 for 2013” by The Miele Guide 2013.

Grissini at Grand Hyatt Hong Kong was named among Hong Kong Tatler’s Best Restaurants and in South China Morning Post’s “100 Top Tables”.

Dynasty at Renaissance Harbour View Hotel was named as one of the “100 Top Tables” by the South China Morning Post.

Hugo’s at Hyatt Regency TST was named among the “Top 20 Restaurants” in Hong Kong Tatler’s Best Restaurants and “100 Top Tables” awarded by the South China Morning Post.
THE REORGANISATION

In preparation for the Global Offering, the Reorganisation was implemented to establish the Trust Group, as further described below.

1. Incorporation of Various Companies

   In March 2013, the following companies were incorporated:

   (a) Ocean Rider was incorporated as a wholly-owned subsidiary of NWD; and

   (b) Prestige Ally was incorporated as a wholly-owned subsidiary of CTFE.

   In April 2013, the following companies were incorporated:

   (a) the Trustee-Manager was incorporated as a wholly-owned subsidiary of NWD;

   (b) the Company was incorporated and owned as to 64% by Ocean Rider and 36% by Prestige Ally;

   (c) Noble Merchant, Topchamp and Treasure Tower were incorporated as indirect wholly-owned subsidiaries of the Company;

   (d) Right Path was incorporated and owned as to 64% by NWD and 36% by CTFE; and

   (e) Star Lagoon was acquired as a wholly-owned subsidiary of Right Path.

2. Establishment of NW Hotel Investments

   On [●] 2013, NW Hotel Investments was constituted by the Trustee-Manager and the Company pursuant to the Trust Deed.

3. Transfer of the Company to NW Hotel Investments

   On [●] 2013, pursuant to a sale and purchase agreement entered into between Ocean Rider, Prestige Ally, the Trustee-Manager and the Company, Ocean Rider and Prestige Ally transferred 998,400 Ordinary Shares and 561,600 Ordinary Shares in the Company, respectively, to the Trustee-Manager (in its capacity as trustee-manager of NW Hotel Investments) in consideration for which the Company issued 998,400 Preference Shares at par value to Ocean Rider and 561,600 Preference Shares at par value to Prestige Ally and the Trustee-Manager issued (a) 998,400 Units Linked to those 998,400 Ordinary Shares held by the Trustee-Manager and Stapled to those 998,400 Preference Shares to Ocean Rider and (b) 561,600 Units Linked to those 561,600 Ordinary Shares held by the Trustee-Manager and Stapled to those 561,600 Preference Shares to Prestige Ally, to form an aggregate of 1,560,000 Share Stapled Units.

4. Acquisition of Risma Limited

5. Transfer of Certain Excluded Companies and Debts

On 30 April 2013, GHHK entered into (i) a sale and purchase agreement and (ii) a loan assignment agreement with Right Path for the transfer of its interests in Alpha Partner Enterprises Limited at par value and the assignment of a shareholder loan owing from Alpha Partner Enterprises Limited to GHHK at the face value of the loan, respectively. The consideration for the transfer and the assignment was settled in cash by Right Path. Completion of the transfer and assignment took place on 30 April 2013.

On [●] 2013, NWHH entered into agreements with Right Path, whereby Right Path assumed (i) the liability under an indemnity and assumption agreement previously entered into by NWHH for matters unrelated to the Hotels and (ii) a debt owed by NWHH to an independent third party for a matter unrelated to the Hotels. The consideration for the transfer of the liability and debt is at face value and will be settled by NWHH on the Listing Date.

On [●] 2013, NWHH, a wholly-owned subsidiary of Beames (which at that time was owned by NWD and CTFE as to 64% and 36%, respectively), entered into a sale and purchase agreement with an independent third party for the sale of its interest in a company which will not be included in the Trust Group on arm’s length commercial terms. Completion of the transfer is expected to occur on 3 July 2013.

On [●] 2013, NWHH entered into sale and purchase agreements with Right Path and Star Lagoon for the transfer of its interests in certain companies which will not be included in the Trust Group to Right Path or Star Lagoon (as the case may be) for a consideration equal to the par value of all the issued shares of each of these companies, which will be settled either in cash by Right Path or Star Lagoon (as the case may be) to NWHH. Completion of the transfers is expected to take place on the day immediately preceding the Listing Date (the “Completion Date”).

On [●] 2013, NWHH entered into a sale and purchase agreement with Cosmostar Holdings, a wholly-owned subsidiary of NWD, for the transfer of its interest in a company which will not be included in the Trust Group to Cosmostar Holdings at par value, which will be settled in cash by Cosmostar Holdings. Completion of the transfer is expected to take place on the Completion Date.

Each of the companies transferred above held assets unrelated to the Hotels and included trademarks, interests in a yacht, interests in NWD Group’s hotels and interests in office and commercial buildings. For the transfer of the shares of the excluded companies to Right Path, Star Lagoon and Cosmostar Holdings, there is no resultant gain or loss for GHHK and NWHH.

Accordingly, on completion of the above transfers (the “Excluded Companies and Debts Transfer”), Beames will indirectly own only Grand Hyatt Hong Kong and Renaissance Harbour View Hotel.
6. Acquisition of the Hotels

On [●] 2013, the Company entered into a sale and purchase agreement with NWD and CTFE pursuant to which the Company conditionally agreed to acquire the entire issued share capital of Beames.

On [●] 2013, Treasure Tower entered into a sale and purchase agreement with Park New Astor and Sunfield Investments pursuant to which Treasure Tower conditionally agreed to acquire all the legal and beneficial title to the hotel property of Hyatt Regency TST. The stamp duty payable for the transfer of the hotel property of Hyatt Regency TST will be borne by Park New Astor.

On [●] 2013, Treasure Tower entered into a business transfer agreement with Park New Astor pursuant to which Treasure Tower conditionally agreed to acquire the hotel business of Hyatt Regency TST.

As part of the Acquisition of the hotel business of Hyatt Regency TST, the hotel licence, general restaurant licences and food factory licence and approximately 750 contracts relating to the hotel business of Hyatt Regency TST will be transferred to Treasure Tower. See “Business — Legal and Regulatory Matters — Key Laws and Regulations Applicable to the Group” for details on the hotel licence, general restaurant licences and food factory licence for Hyatt Regency TST.

Based on the experience of the Directors in the hotel industry, it would generally take between three and four months for a hotel licence to be renewed and between one and two months for the application for the transfer of the hotel licence to be approved by the Hotel and Guesthouse Accommodation Authority.

As at the Latest Practicable Date, we were not aware of any matters which may prevent the renewal of the hotel licence of Hyatt Regency TST in the future or the transfer of the hotel, general restaurant and food factory licences relating to the hotel business for Hyatt Regency TST by Park New Astor to Treasure Tower.

The process for transferring the contracts relating to the business of Hyatt Regency TST from Park New Astor to Treasure Tower has commenced. Provided the terms of each contract have been complied with by Park New Astor and Treasure Tower with respect to the transfer of the relevant contract (including, where necessary, obtaining the consent of the counterparty for such transfer), as at the Latest Practicable Date, based on legal advice and our relationships with the counterparties, we were not aware of any matters which may prevent the transfer of such contracts to Treasure Tower. Notwithstanding the above, it should be noted that where the transfer of a contract requires consent of the counterparty, it is within the discretion of the counterparty whether to grant such consent.

To allow time for the licences and the contracts to be transferred to the Group, Treasure Tower and Park New Astor have entered into the Transitional Services Agreement. See “Connected Transaction — E. One-off Connected Transaction — Transitional Services Agreement” for more details.

Conditions to Completion of the Acquisition

Completion of the acquisition of Beames is conditional upon (a) the Listing Committee granting approval for the listing of, and permission to deal in, the Share Stapled Units on the Stock Exchange and (b) the completion of the Excluded Companies and Debts Transfer.
Completion of the acquisition of the hotel property and hotel business of Hyatt Regency TST is conditional upon the Listing Committee granting the approval for the listing of, and permission to deal in, the Share Stapled Units on the Stock Exchange.

Subject to the satisfaction of the conditions referred to above, completion of the Acquisition will take place on the Completion Date.

**Consideration for the Acquisition**

**Consideration for the Acquisition of Beames**

The consideration for the acquisition of Beames will comprise the following:

(a) an amount equal to the net asset value of Beames and its subsidiaries as at the Completion Date, after:

(i) adjusting the book value of the hotel property of Grand Hyatt Hong Kong and Renaissance Harbour View Hotel to their appraised value as at 31 March 2013, as determined by Savills Valuation and set out in “Appendix III — Property Valuation”; and

(ii) deducting an agreed amount for capital expenditure and the FF&E Reserve for Grand Hyatt Hong Kong and Renaissance Harbour View Hotel which has been fully funded by NWD and CTFE (the “Beames Reserve”),

(the “Initial Beames Consideration”). Such amount shall be set out in a pro forma completion statement of estimated net asset value to be delivered prior to the Completion Date; as adjusted for the following:

(b) a post-completion adjustment amount equal to the difference between (i) the net current assets of Beames and its subsidiaries as set out in the audited completion statement of financial position as at the Completion Date to be prepared within 90 days following the Listing Date and (ii) the net current assets of Beames and its subsidiaries set out in the pro forma completion statement of estimated net asset value (the “Beames Post-Completion Adjustment”); and

(c) an IPO adjustment amount equal to:

\[ A - B \]

where:

(1) “A” is the sum of:

(i) the gross proceeds of the Global Offering, net of the underwriting commissions and incentive fees payable to the Underwriters;

(ii) the value of the Consideration Share Stapled Units at the Offer Price; and

(iii) the gross amount of the Loan Facility to be drawn down on the Listing Date; and
(2) “B” is the sum of:

(i) the appraised value of the three Hotels as at 31 March 2013, as determined by Savills Valuation and set out in “Appendix III — Property Valuation;

(ii) the front end fees in respect of the Loan Facility; and

(iii) HK$[63.8] million, being the amount agreed as the costs and expenses of the Global Offering (excluding underwriting commissions and the incentive fees payable to the Underwriters) for the purposes of the calculation of the IPO Adjustment Amount, (the “IPO Adjustment Amount”) multiplied by [82]%, being the percentage which the aggregate appraised value of Grand Hyatt Hong Kong and Renaissance Harbour View Hotel represents of the total appraised value of the three Hotels.

The consideration for the acquisition of Beames will be apportioned between NWD and CTFE in proportion to their respective shareholding interest in Beames.

As at the Latest Practicable Date, the anticipated amount for the Initial Beames Consideration and the related IPO Adjustment Amount (assuming an Offer Price of HK$[●], being the mid-point of the Offer Price Range) is set out below:

<table>
<thead>
<tr>
<th>HK$ million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial Beames Consideration ....................................................... [20,516]</td>
</tr>
<tr>
<td>IPO Adjustment Amount for the Acquisition of Beames .......................... [●]</td>
</tr>
</tbody>
</table>

Consideration for the Acquisition of Hyatt Regency TST

The consideration for the acquisition of the hotel property of Hyatt Regency TST will comprise the following:

(a) an amount equal to the appraised value of the hotel property of Hyatt Regency TST as at 31 March 2013, as determined by Savills Valuation and set out in “Appendix III — Property Valuation” (the “Initial Hyatt Regency TST Consideration”);

as adjusted for:

(b) an amount equal to the IPO Adjustment Amount multiplied by [18]%, being the percentage which the appraised value of the hotel property of Hyatt Regency TST represents of the total appraised value of the three Hotels.
As at the Latest Practicable Date, the anticipated amounts for the Initial Hyatt Regency TST Consideration and the related IPO Adjustment Amount (assuming an Offer Price of HK$[●], being the mid-point of the Offer Price Range) is set out below:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial Hyatt Regency TST Consideration</td>
<td>3,900</td>
</tr>
<tr>
<td>IPO Adjustment Amount for the Acquisition of Hyatt Regency TST</td>
<td>[●]</td>
</tr>
</tbody>
</table>

The consideration for the acquisition of the hotel business of Hyatt Regency TST (which, for the avoidance of doubt, does not include the land and building of Hyatt Regency TST) will comprise the following:

(a) an amount equal to:

(i) the book value of the assets and liabilities relating to the business of Hyatt Regency TST (but excluding the book value of the furniture, trade fixtures and fittings, and operating equipment included in the Initial Hyatt Regency TST Consideration) as at the Completion Date;

less

(ii) an agreed amount for capital expenditure and the FF&E Reserve for Hyatt Regency TST which has been fully funded by NWD (the “Hyatt Regency TST Reserve”),

(the “Initial Business Consideration”) as set out in the pro forma completion statement of estimated net asset value to be delivered prior to the Completion Date; and

(b) a post-completion adjustment amount equal to the difference between (i) the assets and liabilities as set out in the audited completion statement of financial position as at the Completion Date to be prepared within 90 days following the Listing Date and (ii) the assets and liabilities set out in the pro forma completion statement of estimated net asset value (the “Business Post-Completion Adjustment”).

As at the Latest Practicable Date, the anticipated amount for the Initial Business Consideration is set out below:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial Business Consideration</td>
<td>5</td>
</tr>
</tbody>
</table>

The aggregate of the Beames Reserve and the Hyatt Regency TST Reserve is HK$[600] million.

The valuations for each of the Hotels include valuations of the land, building, furniture, trade fixtures and fittings, and operating equipment. See “Appendix III — Property Valuation” for further details on the basis of valuation applied by Savills Valuation for each of the three Hotels.
Settlement of the Consideration for the Acquisition

On the Completion Date, the Initial Beames Consideration and the related IPO Adjustment Amount will be settled by way of the issue of a promissory note by the Company to each of NWD and CTFE in respect of their proportionate share of the Initial Beames Consideration and the related IPO Adjustment Amount. Such promissory notes will be redeemed on the Listing Date as follows:

(a) by the issue of the Consideration Share Stapled Units at the Offer Price to Ocean Rider (at the direction of NWD) and Prestige Ally (at the direction of CTFE); and

(b) the aggregate of the Initial Beames Consideration and the related IPO Adjustment Amount less the value of the Consideration Share Stapled Units at the Offer Price will be paid to NWD and CTFE in cash using the proceeds from the Loan Facility and the net proceeds from the Global Offering.

The redemption of the promissory notes issued by the Company to NWD and CTFE for the Acquisition of Beames will be funded as follows (assuming an Offer Price of HK$[●], being the mid-point of the Offer Price Range):

<table>
<thead>
<tr>
<th></th>
<th>HK$ million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consideration Share Stapled Units</td>
<td>[●]</td>
</tr>
<tr>
<td>Proceeds from the Loan Facility</td>
<td>[4,458]</td>
</tr>
<tr>
<td>Net proceeds from the Global Offering</td>
<td>[●]</td>
</tr>
</tbody>
</table>

On the Completion Date, the Initial Hyatt Regency TST Consideration and the related IPO Adjustment Amount will be settled by way of the issue of a promissory note by Treasure Tower to Park New Astor and Sunfield Investments. Such promissory notes will be redeemed on the Listing Date by the payment of cash using the proceeds from the Loan Facility.

On the Completion Date, the Initial Business Consideration will be settled by way of a promissory note by Treasure Tower to Park New Astor. Such promissory notes will be redeemed on the Listing Date by the payment of cash using the proceeds from the Loan Facility.

Pursuant to certain contractual arrangements, the NWD Group will receive in aggregate 99.5% of the consideration for the acquisition of the hotel property and hotel business of Hyatt Regency TST and the remaining 0.5% will be received by independent third parties.

Each of the promissory notes will not bear interest.

All inter-company amounts owing by or to the NWD Group and the CTFE Group (on the one hand) and the Group (on the other hand) will be settled on the Listing Date by offsetting the inter-company amounts due to the NWD Group and the CTFE Group from part of the inter-company amounts due from the Group and using the net proceeds from the Global Offering to be received by the NWD Group and the CTFE Group as part of the consideration for the Acquisition. As at the Latest Practicable Date, the net inter-company amount owing from the NWD Group and the CTFE Group to the Group that will be paid on the Listing Date using the net proceeds from the Global Offering to be received by the NWD Group and the CTFE Group as part of the consideration for the Acquisition is approximately HK$[3,088] million.
Within 90 days following the Listing Date, the Company will arrange for an audited completion statement of financial position to be prepared in respect of each of Beames and the Hyatt Regency TST business. Within 14 days of the delivery of the audited completion statement of financial position:

(a) the Beames Post-Completion Adjustment (if any) will be paid by the Company or by NWD and CTFE (as the case may be) in cash; and

(b) the Business Post-Completion Adjustment (if any) will be paid by Treasure Tower or Park New Astor (as the case may be) in cash.

The Directors do not expect the amounts of the Beames Post-Completion Adjustment and the Business Post-Completion Adjustment to be material in the context of the aggregate consideration for the Acquisition.

Upon the IPO Adjustment Amount, the Beames Post-Completion Adjustment and the Business Post-Completion Adjustment having been determined in accordance with the terms of the relevant agreements, the Trustee-Manager and the Company will publish an announcement to inform Holders of Share Stapled Units of the amount (if any) of such adjustments.

7. Loan Facility

On the Listing Date, the Loan Facility will be drawn down to settle:

(a) part of the consideration for the acquisition of Beames; and

(b) the consideration for the acquisition of the Hyatt Regency TST property and business.

8. Issue of Share Stapled Units on the Listing Date

On the Listing Date:

(a) the Trustee-Manager and the Company will jointly issue the Consideration Share Stapled Units at the Offer Price to Ocean Rider (at the direction of NWD) and Prestige Ally (at the direction of CTFE); and

(b) subject to and following the completion of the step referred to in paragraph 8(a) above, the Trustee-Manager and the Company will jointly issue the Offer Share Stapled Units at the Offer Price to investors in the Global Offering.

Under the Global Offering, the Offer Price is subject to agreement by the Trustee-Manager and the Company as described in “Structure of the Global Offering — Pricing and Allocation”. The Trustee-Manager and the Company will also agree the apportionment of the Offer Price between the subscription price for the Units and the Preference Shares. For the purposes of the Global Offering, the Trustee-Manager and the Company have agreed that the Trustee-Manager will subscribe for the Ordinary Shares at a subscription price equal to the Offer Price less (a) the amount of the Offer Price agreed to be allocated to the subscription price for the Preference Shares and (b) any costs and expenses properly incurred and paid by the Trustee-Manager in connection with the Global Offering.
Prior to the Reorganisation, our corporate structure was as follows:

**Notes:**

1. Park New Astor has an 8% interest as tenant in common in the Hyatt Regency TST property with the remaining 92% interest as tenant in common being held by Sunfield Investments (a wholly-owned subsidiary of the Urban Renewal Authority). Pursuant to certain contractual arrangements, the NWD Group has a contractual entitlement to 99.5% of the results of operations of Hyatt Regency TST with the remaining 0.5% contractual entitlement being held by independent third parties.

2. Risma Limited holds preference shares in Mega Fortune Company Limited, GHHK and New World Harbourview Hotel Company Limited.

3. Two deferred shares which are non-voting and carry no entitlement to dividend payments are held by independent third parties. See “Appendix VIII — Statutory and General Information — Further Information About the Company — Subsidiaries” for further details.
CORPORATE STRUCTURE FOLLOWING THE REORGANISATION AND THE GLOBAL OFFERING

Immediately following the completion of the Reorganisation and the Global Offering (assuming the Over-allotment Option is not exercised), our corporate structure will be as follows:

Note:
(1) Two deferred shares which are non-voting and have no entitlement to dividend payments are held by independent third parties. See "Appendix VIII — Statutory and General Information — Further Information About the Company — Subsidiaries" for further details.
SPIN-OFF OF THE HOTELS FROM NWD

The directors of NWD believe that the spin-off and separate listing of the Hotels is in the interests of NWD and the NWD Shareholders taken as a whole for the following reasons:

- **Unlocks the value of the Group:** The directors of NWD believe that a separate listing of the Hotels will unlock their value for the NWD Shareholders and identify and establish the fair value of the Hotels. Given that NWD will continue to consolidate the financial results of the Trust Group as its subsidiary, the directors of NWD anticipate that this value will represent an enhancement to their existing value within the confines of NWD’s listing, as the NWD Shareholders will continue to benefit from the growth of the Trust Group. Listing the Hotels separately is expected to align their cash flow generating characteristic with the appropriate investor base that favours a clearly expressed distribution policy and pure-play investments, increase visibility of their future earnings and encourage direct research coverage, resulting in a more transparent and fairer valuation of the Hotels.

- **Allows a more defined focus and efficient resource allocation:** The spin-off will allow the different management teams of the NWD Group and the Group to focus more effectively on their respective businesses. It will also facilitate the development of separate strategies for the Group to further grow and capture opportunities in relation to internationally recognised branded hotels in Asia.

- **Creates own investor base for the Hotels:** Through the spin-off, the Hotels will be able to be valued on a standalone basis and investors will be provided with more details of the operating performance of each of the NWD Group and the Group. The spin-off will also help to create a new investor base for the Trust Group as it will be able to attract new investors who are seeking investments specifically in the hospitality sector.

- **Enhances financing flexibility:** As a result of the spin-off, the NWD Group and the Group will have separate fundraising platforms in the equity and debt capital markets, which will increase financing flexibility for both entities to support their respective growth. A separate listing of the Hotels will also provide clarity to the credit profile of the Trust Group and to financial institutions who wish to analyse and lend against the credit rating of a hotels business.

- **Allows fundraising for the NWD Group:** The significant funding raised by NWD through the spin-off will enable the NWD Group to continue to expand its existing businesses.

The spin-off and separate listing of the Hotels by NWD complies with the requirements of Practice Note 15 of the Listing Rules.