


General Announcement::Update on Proposed Disposal of Shareholding in subsidiary, City e-Solutions Limited

Issuer & Securities

Issuer/ Manager	CITY DEVELOPMENTS LIMITED
Securities	CITY DEVELOPMENTS LIMITED - SG1R89002252 - C09

Announcement Details

Announcement Title	General Announcement
Date & Time of Broadcast	27-Mar-2014 19:59:01
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Announcement Sub Title	Update on Proposed Disposal of Shareholding in subsidiary, City e-Solutions Limited
Announcement Reference	SG140327OTHRAIEE
Submitted By (Co./ Ind. Name)	Enid Ling Peek Fong
Designation	Company Secretary
Description (Please provide a detailed description of the event in the box below)	<p>The Board of Directors of City Developments Limited (“CDL” or the “Company”) refers to the announcement released on 23 December 2013 in connection with the acceptance of a Memorandum of Understanding (“MOU”) from an unrelated third party (the “Purchaser”) who had expressed non-binding interest in acquiring from CDL’s wholly-owned subsidiaries (collectively, the “CDL Entities”) an approximate 52.52% interest in the issued share capital of City e-Solutions Limited (“CES”) held by the CDL Group through the CDL Entities. The Board wishes to inform that the CDL Entities had on 27 March 2014 served a notice on the Purchaser, stating <i>inter alia</i> that the Purchaser has not met the terms of the MOU and has demonstrated by its conduct that the Purchaser is not proceeding with the transaction. As there were substantial differences between the parties, no agreement has been reached on the terms of the sale and purchase agreement.</p> <p>Please also refer to the attached announcement released by CES on 27 March 2014.</p> <p>By Order of the Board</p> <p>Shufen Loh @ Catherine Shufen Loh Enid Ling Peek Fong Company Secretaries 27 March 2014</p>
Attachments	<p> 27032014_CES.pdf</p> <p>Total size =26K</p>

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City e-Solutions Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 557)

ANNOUNCEMENT PURSUANT TO RULE 3.7 OF THE TAKEOVERS CODE

This announcement is made by City e-Solutions Limited (the “Company”) pursuant to Rule 3.7 of the Hong Kong Code on Takeovers and Mergers (the “Takeovers Code”).

Reference is made to the announcements issued by the Company on 25 November 2013, 23 December 2013, 23 January 2014, 21 February 2014 and 21 March 2014 (collectively, the “Announcements”) in relation to the possible disposal of interests by the CDL Subsidiaries and the HL Entities in the Company (the “Proposed Disposal”). Terms defined in the Announcements shall have the same meanings where used herein unless the context otherwise requires.

The Board wishes to announce that it has been informed by the Controlling Shareholders that they have today served a notice on the Purchaser stating, among other things, that the Purchaser has not met the terms of the MOU and has demonstrated by its conduct that the Purchaser is not proceeding with the transaction. As there were substantial differences between the parties, no agreement has been reached on the terms of the agreement for sale and purchase. In view of the aforesaid, the Board considers that the offer period (as defined in the Takeovers Code) has ended on the date of this announcement.

Shareholders of the Company and the investing public are advised to exercise extreme caution when dealing in the shares of the Company.

By order of the Board
Kwek Leng Beng
Chairman

Hong Kong, 27 March 2014

As at the date of this announcement, the Board is comprised of 9 directors, of which 4 are executive directors, namely Mr. Kwek Leng Beng, Mr. Kwek Leng Joo, Mr. Gan Khai Choon and Mr. Lawrence Yip Wai Lam, 2 are non-executive directors, namely Mr. Chan Bernard Charnwut and Mr. Ronald Nathaniel Issen, and 3 are independent non-executive directors, namely Dr. Lo Ka Shui, Mr. Lee Jackson a.k.a. Li Chik Sin and Mr. Teoh Teik Kee.

The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.