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恒基兆業地產有限公司

HENDERSON LAND DEVELOPMENT COMPANY LIMITED

Incorporated in Hong Kong with limited liability

(Stock Code : 12)

DISCLOSEABLE TRANSACTION

ACQUISITION OF EQUITY INTEREST IN

MIRAMAR HOTEL AND INVESTMENT COMPANY, LIMITED

THE ACQUISITION

The Board is pleased to announce that, on 14 April 2021, the Company, through its wholly-owned subsidiary, indirectly acquired on the Stock Exchange a total of 103,000 Miramar Shares, which represent approximately 0.0149% of the total number of issued Miramar Shares as at the date of this announcement, at an average price (exclusive of transaction costs) of approximately HK\$15.28 per Miramar Share amounting to an aggregate consideration of approximately HK\$1,574,000 (exclusive of transaction costs).

Immediately before the Acquisition, the Company indirectly held approximately 49.987% of the total number of issued Miramar Shares and therefore, Miramar was an associate of the Company. Upon completion of the settlement process of the Acquisition, the Company will indirectly hold 345,494,980 Miramar Shares in aggregate, representing approximately 50.002% of the total number of issued Miramar Shares. Miramar will then become an indirect non-wholly-owned subsidiary of the Company and the financial results of Miramar will be consolidated into the consolidated financial statements of the Group. The Company's interest in the Miramar Shares is for long-term investment purpose.

LISTING RULES IMPLICATIONS

As the Acquisition will result in the consolidation of the financial results of Miramar into the consolidated financial statements of the Group, pursuant to Rule 14.28 of the Listing Rules, 100% of Miramar's total assets, profits and revenue shall be used as the relevant numerators in calculating the applicable percentage ratios (as required under Rule 14.07 of the Listing Rules) in respect of the Acquisition. As one or more of the applicable percentage ratios in respect of the Acquisition so calculated exceed(s) 5% but all of them are less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirements, but is exempt from the circular and shareholders' approval requirements, under Chapter 14 of the Listing Rules.

A. THE ACQUISITIONS OF MIRAMAR SHARES

1. Interest acquired

The Board is pleased to announce that, on 14 April 2021, the Company, through its wholly-owned subsidiary, Multiglade, indirectly acquired on the Stock Exchange a total of 103,000 Miramar Shares, which represent approximately 0.0149% of the total number of issued Miramar Shares as at the date of this announcement. Over the past 12-month period, the Company, through Multiglade, also made a series of Previous Acquisitions on the Stock Exchange, whereby a total of 6,519,000 Miramar Shares, which represent approximately 0.9435% of the total number of issued Miramar Shares as at the date of this announcement, were acquired.

As the Acquisition and the Previous Acquisitions were conducted through the open market, the Company is not aware of the identities of the sellers of the Miramar Shares. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the sellers of Miramar Shares and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

Immediately before the Acquisition, the Company indirectly held approximately 49.987% of the total number of issued Miramar Shares. Miramar was therefore an associate of the Company and the investment in Miramar has been accounted for as the Group's interest in associate in the consolidated financial statements of the Group. Upon completion of the settlement process of the Acquisition, the Company will indirectly hold 345,494,980 Miramar Shares in aggregate, representing approximately 50.002% of the total number of issued Miramar Shares. Miramar will then become an indirect non-wholly-owned subsidiary of the Company and the financial results of Miramar will be consolidated into the consolidated financial statements of the Group.

2. Consideration

The aggregate consideration for the Acquisition was approximately HK\$1,574,000 (exclusive of transaction costs) and the average price (exclusive of transaction costs) of each Miramar Share acquired under the Acquisition was approximately HK\$15.28. The aggregate consideration for the Previous Acquisitions was approximately HK\$91,216,000 (exclusive of transaction costs) and the average price (exclusive of transaction costs) of each Miramar Share acquired under the Previous Acquisitions was approximately HK\$13.99.

As the Acquisition and the Previous Acquisitions were conducted on the open market, the price of each trade represented the market price of the Miramar Shares at the relevant time of acquisition. The consideration for the Acquisition and the Previous Acquisitions were funded by internal resources of the Group.

3. Completion

Settlement for the 103,000 Miramar Shares acquired by the Company under the Acquisition will take place on the second trading day after the orders regarding the Acquisition have been made, being 16 April 2021.

B. INFORMATION OF MIRAMAR

Miramar is a company incorporated in Hong Kong and its shares are listed on the Stock Exchange with the principal activity of investment holding. The principal activities of Miramar's principal subsidiaries are property rental, hotels and serviced apartments, food and beverage operation and travel operation.

Set out below is a summary of certain key audited consolidated financial information of Miramar for the financial years ended 31 December 2019 and 31 December 2020 respectively:

	For the financial year ended 31 December	
	2019	2020
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(audited)	(audited)
Revenue	3,061,704	1,314,605
Net profit before taxation	1,480,877	408,305
Net profit after taxation	1,336,832	308,939

Based on the audited final results of Miramar for the year ended 31 December 2020, the audited consolidated total assets and consolidated net asset value of Miramar as at 31 December 2020 were approximately HK\$21,045,638,000 and HK\$19,998,157,000 respectively.

C. INFORMATION OF THE GROUP

The Company is an investment holding company and the principal activities of its subsidiaries are property development and investment, construction, project management, property management, finance, department store operation and investment holding.

Multiglade is a wholly-owned subsidiary of the Company and is principally engaged in investment holding.

D. REASONS FOR AND BENEFITS OF THE ACQUISITIONS

Miramar, being an associate of the Company immediately prior to the Acquisition, is one of the Group's strategic investments which has been contributing a reliable and growing income source to the Group. Miramar group holds a diversified service-oriented business portfolio comprising stylish hotels and serviced apartments, property rental, food and

beverage, and travel services in Hong Kong and mainland China. The Board believes that, after Miramar becomes a non-wholly-owned subsidiary of the Company as a result of the Acquisition, the financial position of the Group will be enhanced by consolidating the financial results of Miramar into the consolidated financial statements of the Group. The Company's interest in the Miramar Shares is for long-term investment purpose.

In view of the above and having considered that the Acquisition and the Previous Acquisitions were conducted through the open market, the Directors are of the view that the terms of the Acquisition and the Previous Acquisitions are on normal commercial terms and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

E. LISTING RULES IMPLICATIONS

The Previous Acquisitions, whether on a standalone basis or an aggregate basis, did not constitute discloseable transactions of the Company under the Chapter 14 of the Listing Rules.

As the Acquisition will result in the consolidation of the financial results of Miramar into the consolidated financial statements of the Group, pursuant to Rule 14.28 of the Listing Rules, 100% of Miramar's total assets, profits and revenue shall be used as the relevant numerators in calculating the applicable percentage ratios (as required under Rule 14.07 of the Listing Rules) in respect of the Acquisition. As one or more of the applicable percentage ratios in respect of the Acquisition so calculated exceed(s) 5% but all of them are less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirements, but is exempt from the circular and shareholders' approval requirements, under Chapter 14 of the Listing Rules.

Since the Group's holding in the Miramar Shares as a result of the Acquisition will not be increased by more than 2% as compared with the lowest percentage holding of the Group in the 12-month period preceding the Acquisition, the Acquisition does not trigger any obligation on the part of the Group to make a general offer pursuant to Rule 26 of the Code on Takeovers and Mergers.

F. DEFINITIONS

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

“Acquisition”	the acquisition of a total of 103,000 Miramar Shares by the Company on 14 April 2021 on the open market at an aggregate consideration of approximately HK\$1,574,000 (exclusive of transaction costs);
“Board”	the board of Directors;

“Company”	Henderson Land Development Company Limited (恒基兆業地產有限公司), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 12);
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Miramar”	Miramar Hotel and Investment Company, Limited (美麗華酒店企業有限公司), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 71);
“Miramar Share(s)”	the share(s) in the issued share capital of Miramar;
“Multiglade”	Multiglade Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company
“Previous Acquisitions”	a series of acquisitions of Miramar Shares on the open market made by the Company over a 12-month period from 15 April 2020 to 14 April 2021 (both days inclusive, including the date of the Acquisition), at an aggregate consideration of approximately HK\$91,216,000 (exclusive of transaction costs);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	per cent.

By Order of the Board
Timon LIU Cheung Yuen
Company Secretary

Hong Kong, 14 April 2021

As at the date of this announcement, the Board comprises: (1) executive directors: Lee Ka Kit (Chairman and Managing Director), Lee Ka Shing (Chairman and Managing Director), Lam Ko Yin, Colin, Lee Shau Kee, Yip Ying Chee, John, Fung Lee Woon King, Kwok Ping Ho, Suen Kwok Lam, Wong Ho Ming, Augustine and Fung Hau Chung, Andrew; (2) non-executive directors: Lee Tat Man and Lee Pui Ling, Angelina; and (3) independent non-executive directors: Kwong Che Keung, Gordon, Ko Ping Keung, Wu King Cheong, Woo Ka Biu, Jackson, Poon Chung Kwong and Au Siu Kee, Alexander.