
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action you should take, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Henderson Land Development Company Limited**, you should at once hand this circular to the purchaser(s) or transferee(s) or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



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)

MAJOR TRANSACTION
SUCCESSFUL TENDER OF LAND

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	3
APPENDIX I - FINANCIAL INFORMATION OF THE GROUP	I-1
APPENDIX II - GENERAL INFORMATION.....	II-1

DEFINITIONS

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

“Acquisition”	the acquisition of the Land under the terms of the Conditions of Sale
“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 Stock Exchange
“Conditions of Sale”	the agreement and conditions of sale of the Land as set out in the Tender documents
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Land”	a piece of land located at Man Yiu Street, New Central Harbourfront, Hong Kong registered in the Land Registry as Inland Lot No. 9088
“Land Premium”	the land premium of HK\$50,800,000,000, being the consideration for the Acquisition
“Latest Practicable Date”	7 December 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular
“Letter”	a letter notifying the acceptance of the Tender from the Lands Department of the Government of Hong Kong, dated 3 November 2021
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“Memorandum of Agreement”	the memorandum of agreement entered into by Pacific Gate with the Government of Hong Kong in respect of the Acquisition
“Pacific Gate”	Pacific Gate Development Limited (國基發展有限公司), a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
“Qualified Property Acquisition”	has the meaning ascribed to it under Chapter 14 of the Listing Rules
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the share(s) in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tender”	sale of the Land by the Government of Hong Kong by way of public tender
“%”	per cent

LETTER FROM THE BOARD



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)

Executive Directors:

Dr Lee Ka Kit
(Chairman and Managing Director)
Lee Ka Shing
(Chairman and Managing Director)
Dr Lam Ko Yin, Colin (Vice Chairman)
Dr Lee Shau Kee
Yip Ying Chee, John
Fung Lee Woon King
Kwok Ping Ho
Suen Kwok Lam
Wong Ho Ming, Augustine
Fung Hau Chung, Andrew

Non-executive Directors:

Lee Tat Man
Lee Pui Ling, Angelina

Independent Non-executive Directors:

Kwong Che Keung, Gordon
Professor Ko Ping Keung
Wu King Cheong
Woo Ka Biu, Jackson
Professor Poon Chung Kwong
Au Siu Kee, Alexander

Registered office:

72-76/F., Two International Finance Centre
8 Finance Street, Central
Hong Kong

13 December 2021

To the Shareholders

Dear Sir or Madam,

MAJOR TRANSACTION SUCCESSFUL TENDER OF LAND

INTRODUCTION

Reference is made to the announcement of the Company dated 3 November 2021 in relation to the Acquisition.

The purpose of this circular is to provide you with, among other things, details of the Acquisition and other information as required under the Listing Rules.

LETTER FROM THE BOARD

THE ACQUISITION

On 3 November 2021, Pacific Gate, a wholly-owned subsidiary of the Company, received the Letter from the Lands Department of the Government of Hong Kong confirming that its tender for the Land (which is situated at Man Yiu Street, New Central Harbourfront, Hong Kong) at the Land Premium of HK\$50,800,000,000 has been accepted.

Pursuant to the terms of the Conditions of Sale, Pacific Gate has entered into the Memorandum of Agreement with the Government of Hong Kong within 14 days of the date of the Letter in respect of the Acquisition. The principal terms of the Memorandum of Agreement are set out below:

The parties

- (1) the Government of Hong Kong, a third party independent of the Company and its connected persons, as vendor
- (2) Pacific Gate, a wholly-owned subsidiary of the Company, as purchaser

Information on the Land

Location	:	Man Yiu Street, New Central Harbourfront, Hong Kong registered in the Land Registry as Inland Lot No. 9088
Site area	:	Approximately 47,967 square metres (equivalent to approximately 516,312 square feet)
Maximum Gross Floor Area	:	Approximately 150,000 square metres (equivalent to approximately 1,614,585 square feet)
Term	:	50 years from the date of the Memorandum of Agreement
Car parking spaces	:	877 car parking spaces and 58 motorcycles parking spaces
Permitted use	:	Non-industrial (excluding residential, godown and petrol filling station) purposes

LETTER FROM THE BOARD

Land Premium and the payment terms

The Land Premium payable is HK\$50,800,000,000, which was settled by Pacific Gate as follows:-

- (a) a deposit of HK\$50,000,000 was paid at the time when the Tender was submitted, which amount was applied in part payment of the Land Premium;
- (b) the further deposit of HK\$5,030,000,000 was paid on 12 November 2021, which amount was applied in part payment of the Land Premium; and
- (c) the remaining balance of HK\$45,720,000,000 was paid on 1 December 2021.

The Land Premium, being the bidding price submitted by Pacific Gate under the Tender, was determined by the Company with reference to the current and future business prospect and development potential in the region at which the Land is situated and the overall prospect of the property market in Hong Kong.

The Land Premium was funded by the Group's internal resources, and bank and other borrowings as more particularly described in the section headed "Financial Effects of the Acquisition on the Group" below.

FINANCIAL EFFECTS OF THE ACQUISITION ON THE GROUP

Immediately upon completion of the Acquisition, the major financial effects of the Acquisition on the Group are (i) an increase in the Group's total assets by an amount of HK\$50,818 million, which comprises the Land Premium of HK\$50,800 million plus capitalised expenditures; and (ii) an aggregate increase of HK\$50,800 million in the Group's bank and other borrowings and the amount due from the Group to a fellow subsidiary, which together funded the Group's settlement of the Land Premium. As a result, there was no material change in the Group's net assets immediately upon the completion of the Acquisition.

Save for the abovementioned, the Directors consider that the Acquisition will not have any other material effect on the total assets, total liabilities and earnings of the Group.

REASONS FOR AND BENEFITS OF THE ACQUISITION

Property development and investment are among the principal activities of the Group. The Company is optimistic of the long term prospect of this world-class development, which will form one of the most important and strategic additions to Hong Kong's Central Business District. The investment is expected to create not only one of Hong Kong's most iconic landmarks but also a social destination dedicated to public enjoyment along the harbourfront promenade.

LETTER FROM THE BOARD

The Board believes that the terms of the Memorandum of Agreement are normal commercial terms, and the Acquisition is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

GENERAL INFORMATION

Pacific Gate is a company incorporated in Hong Kong with limited liability. The principal activities of Pacific Gate are property holding and investment.

The Company is an investment holding company and its subsidiaries are principally engaged in property development and investment, construction, project management, property management, finance, hotel operation, department store operation and investment holding.

IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios as defined under Rule 14.07 of the Listing Rules in respect of the Acquisition exceed 25% but are all less than 100%, the Acquisition constitutes a major transaction of the Company under Chapter 14 of the Listing Rules. Given that the Acquisition is a Qualified Property Acquisition (as defined under the Listing Rules), the Acquisition is subject to announcement and circular requirements but is exempt from (i) the shareholders' approval requirement pursuant to rule 14.33A of the Listing Rules and (ii) the requirement to include a valuation report on the Land in the circular.

ADDITIONAL INFORMATION

Your attention is drawn to the financial and other information as set out in the appendices to this circular.

Yours faithfully,

Lee Ka Kit **Lee Ka Shing**
Chairman *Chairman*

1. THREE YEARS FINANCIAL INFORMATION

Financial information of the Group for each of the years ended 31 December 2018, 2019 and 2020 and the six months ended 30 June 2021 are disclosed in the following documents which have been published on the websites of the Company (www.hld.com) and the Stock Exchange (www.hkexnews.hk):

- annual report of the Company for the year ended 31 December 2018 (pages 137 to 263) published on 18 April 2019;
- annual report of the Company for the year ended 31 December 2019 (pages 137 to 260) published on 22 April 2020;
- annual report of the Company for the year ended 31 December 2020 (pages 157 to 280) published on 23 April 2021; and
- interim report of the Company for the six months ended 30 June 2021 (pages 44 to 91) published on 10 September 2021.

2. INDEBTEDNESS STATEMENT

As at the close of business on 31 October 2021, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this circular, the Group had aggregate outstanding borrowings of approximately HK\$104,673 million comprising the followings:

- (i) unsecured bank loans in the aggregate amount of HK\$55,435 million, the repayment of which is guaranteed by the Company;
- (ii) unsecured guaranteed notes in the aggregate amount of HK\$23,722 million, the repayment of which is guaranteed by the Company;
- (iii) unsecured amount due to a fellow subsidiary of HK\$22,463 million, the repayment of which is not subject to any guarantee arrangement from the Company or any member of the Group; and
- (iv) unsecured amount due to a related company of HK\$3,053 million, the repayment of which is not subject to any guarantee arrangement from the Company or any member of the Group.

Furthermore, as at the close of business on 31 October 2021, the Group had lease liabilities and contingent liabilities in the aggregate amount of HK\$599 million and HK\$10,480 million respectively.

For the purpose of this indebtedness statement, in relation to bank loans, guaranteed notes and amount due to a related company which are denominated in foreign currencies other than Hong Kong dollars, foreign currency amounts have been translated into Hong Kong dollars at the approximate exchange rates applicable as of the close of business on 31 October 2021.

Save as disclosed above and apart from intra-group liabilities and normal trade payables in the ordinary course of business, the Group did not have any loan capital issued and outstanding, authorised or otherwise created but unissued, bank overdrafts and liabilities under acceptances, acceptance credits or other similar indebtedness, debentures, mortgages, charges or loans or hire purchase commitments, or other material guarantees or contingent liabilities as of the close of business on 31 October 2021.

3. WORKING CAPITAL

The Directors are of the opinion that, after taking into account the Group's internal resources, cash flows from operations, available banking facilities, headroom for the issuance of guaranteed notes under the Group's Medium Term Note Programme, advances from a fellow subsidiary of the Group and the scheduled repayments of bank loans and guaranteed notes from the date of publication of this circular up to and including 31 December 2022, as well as the effect of the Acquisition, the Group has sufficient working capital for its present requirements and to satisfy its requirements for at least the next 12 months from the date of publication of this circular in the absence of unforeseen circumstances.

4. MATERIAL ADVERSE CHANGE

The Directors confirm that as at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2020, being the date to which the latest published audited consolidated financial statements of the Group were made up.

5. FINANCIAL AND TRADING PROSPECT

Land bank

The Group has built up a sizeable land bank for property development over the long term. In Hong Kong, the Group's land bank includes, among others, two large-scale urban redevelopment projects in Mong Kok West and Hung Hom, each of which provides a total gross floor area of about one million square feet. In addition, the Group has three separate land lots in Fanling North New Development Area and they are assessed to be eligible for in-situ land exchange; and upon finalisation of the terms for land exchange, these three land lots are expected to provide an aggregate gross floor area of about 3.5 million square feet in attributable terms. The Group continues to have the largest holding of New Territories land reserves among all property developers in Hong Kong which measured about 44.6 million square feet at 30 June 2021. In mainland China, the Group had, at 30 June 2021, committed six joint venture development projects in Suzhou, Shijiazhuang,

Chengdu, Foshan, Tianjin and Chongqing, adding an aggregate attributable gross floor area of about 8 million square feet to the Group's land bank. The successive completion of these projects in both Hong Kong and mainland China will provide a continuous and significant revenue stream to the Group.

Property sales

At the end of June 2021, the Group had contracted sales of properties in Hong Kong and mainland China, which are yet to be recognised in the accounts, of approximately HK\$15,400 million and HK\$14,452 million respectively in attributable terms. In Hong Kong, the Group had about 5,700 residential units and 230,000 square feet of office/industrial space available for sale in the second half of 2021, and such sales have been progressing well up to the Latest Practicable Date. In mainland China, the Group will continue to look for appropriate investment opportunities in the first-tier cities and the major second-tier cities.

Property leasing

The Group's portfolio of completed investment properties at the end of 2021 is expected to comprise an attributable gross floor area of 9.6 million square feet in Hong Kong. The investment properties of the Group in mainland China are also expected to reach an attributable gross floor area of 11.9 million square feet upon the forthcoming completion of the 3,000,000-square-foot "*Lumina Shanghai*" and the 800,000-square-foot shopping podium of "*Lumina Guangzhou*" in mainland China. In particular, in Hong Kong, "*The Henderson*", being the super Grade-A office development at Murray Road, Central which is scheduled for completion in 2023, has already concluded a tenancy agreement with Christie's, the world-leading auction house, as its new headquarters in Asia Pacific.

Listed subsidiaries and associates

Miramar Hotel and Investment Company, Limited and Henderson Investment Limited (both being non-wholly owned listed subsidiaries of the Group), as well as The Hong Kong and China Gas Company Limited ("**HKCG**") and Hong Kong Ferry (Holdings) Company Limited (both being listed associates of the Group), collectively provide another steady recurrent income stream to the Group. In particular, at the end of June 2021, HKCG had 451 projects in mainland China spanning across 27 provincial regions, about 35 million piped-gas customers in Hong Kong and mainland China as well as an expanding scope of other businesses, and HKCG is therefore poised to provide promising returns to the Group.

Ample financial resources

The Group has secured a substantial amount of banking facilities for standby purpose, and has also maintained sufficient headroom for the issuance of guaranteed notes under the Group's Medium Term Note Programme. Furthermore, the Group has received advances from a fellow subsidiary which is not expected to be settled within one year from 31 October 2021 (being the latest practicable date for the purpose of the indebtedness statement as set out above in this appendix) and has no fixed terms of repayment. Therefore, the Group has ample financial resources for its ongoing business operations and future developments.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS IN SHARES

(a) Directors' interests

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company and any associated corporations (within the meaning of Part XV of the SFO) which were required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executives of the Company were taken or deemed to have pursuant to Divisions 7 and 8 of Part XV of the SFO), or (ii) entered in the register required to be kept under Section 352 of the SFO or (iii) required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) adopted by the Company were as follows:

Ordinary Shares (unless otherwise specified)

Long Positions

Name of Company	Name of Director	Note	Personal Interests	Family Interests	Corporate Interests	Other Interests	Total	% Interest
Henderson Land Development Company Limited	Lee Shau Kee	1	15,548,667		3,509,782,778		3,525,331,445	72.82
	Lee Ka Kit	1				3,509,782,778	3,509,782,778	72.50
	Lee Ka Shing	1				3,509,782,778	3,509,782,778	72.50
	Lee Tat Man	2	220,299				220,299	0.00
	Lee Pui Ling, Angelina	3	64,554				64,554	0.00
	Fung Lee	4	2,493,138				2,493,138	0.05
	Woon King							
	Woo Ka Biu, Jackson	5		3,896			3,896	0.00

*Ordinary Shares (unless otherwise specified) (continued)**Long Positions*

Name of Company	Name of Director	Note	Personal Interests	Family Interests	Corporate Interests	Other Interests	Total	% Interest
Henderson Investment Limited	Lee Shau Kee	6			2,110,868,943		2,110,868,943	69.27
	Lee Ka Kit	6				2,110,868,943	2,110,868,943	69.27
	Lee Ka Shing	6				2,110,868,943	2,110,868,943	69.27
	Lee Tat Man	2	6,666				6,666	0.00
The Hong Kong and China Gas Company Limited	Lee Shau Kee	7			7,748,692,715		7,748,692,715	41.53
	Lee Ka Kit	7				7,748,692,715	7,748,692,715	41.53
	Lee Ka Shing	7				7,748,692,715	7,748,692,715	41.53
	Poon Chung Kwong	8				243,085	243,085	0.00
Hong Kong Ferry (Holdings) Company Limited	Lee Shau Kee	9	799,220		119,017,090		119,816,310	33.63
	Lee Ka Kit	9				119,017,090	119,017,090	33.41
	Lee Ka Shing	9				119,017,090	119,017,090	33.41
	Lam Ko Yin, Colin	10	150,000				150,000	0.04
	Fung Lee Woon King	4	465,100				465,100	0.13
Miramar Hotel and Investment Company, Limited	Lee Shau Kee	11			345,999,980		345,999,980	50.08
	Lee Ka Kit	11				345,999,980	345,999,980	50.08
	Lee Ka Shing	11				345,999,980	345,999,980	50.08
Towngas China Company Limited	Lee Shau Kee	12			2,084,895,656		2,084,895,656	65.98
	Lee Ka Kit	12				2,084,895,656	2,084,895,656	65.98
	Lee Ka Shing	12				2,084,895,656	2,084,895,656	65.98

*Ordinary Shares (unless otherwise specified) (continued)**Long Positions*

Name of Company	Name of Director	Note	Personal Interests	Family Interests	Corporate Interests	Other Interests	Total	% Interest
Henderson Development Limited	Lee Chau Kee	13			8,190 (Ordinary A shares)		8,190 (Ordinary A shares)	100.00
	Lee Chau Kee	13			3,510 (Non-voting B shares)		3,510 (Non-voting B shares)	100.00
	Lee Chau Kee	14	35,000,000 (Non-voting deferred shares)		15,000,000 (Non-voting deferred shares)		50,000,000 (Non-voting deferred shares)	100.00
	Lee Ka Kit	13				8,190 (Ordinary A shares)	8,190 (Ordinary A shares)	100.00
	Lee Ka Kit	13				3,510 (Non-voting B shares)	3,510 (Non-voting B shares)	100.00
	Lee Ka Kit	14				15,000,000 (Non-voting deferred shares)	15,000,000 (Non-voting deferred shares)	30.00
	Lee Ka Shing	13				8,190 (Ordinary A shares)	8,190 (Ordinary A shares)	100.00
	Lee Ka Shing	13				3,510 (Non-voting B shares)	3,510 (Non-voting B shares)	100.00
	Lee Ka Shing	14				15,000,000 (Non-voting deferred shares)	15,000,000 (Non-voting deferred shares)	30.00

*Ordinary Shares (unless otherwise specified) (continued)**Long Positions*

Name of Company	Name of Director	Note	Personal Interests	Family Interests	Corporate Interests	Other Interests	Total	% Interest
Best Homes Limited	Lee Chau Kee	15			26,000		26,000	100.00
	Lee Ka Kit	15				26,000	26,000	100.00
	Lee Ka Shing	15				26,000	26,000	100.00
Feswin Investment Limited	Lee Ka Kit	16			5,000	5,000	10,000	100.00
Fordley Investment Limited	Fung Lee Woon King	4	2,000				2,000	20.00
Furnline Limited	Lee Chau Kee	17			100 (A shares)		100 (A shares)	100.00
	Lee Chau Kee	18			1 (B share)		1 (B share)	100.00
	Lee Ka Kit	17				100 (A shares)	100 (A shares)	100.00
	Lee Ka Kit	18				1 (B share)	1 (B share)	100.00
	Lee Ka Shing	17				100 (A shares)	100 (A shares)	100.00
	Lee Ka Shing	18				1 (B share)	1 (B share)	100.00
Perfect Bright Properties Inc.	Lee Chau Kee	17			100 (A shares)		100 (A shares)	100.00
	Lee Chau Kee	18			1 (B share)		1 (B share)	100.00
	Lee Ka Kit	17				100 (A shares)	100 (A shares)	100.00
	Lee Ka Kit	18				1 (B share)	1 (B share)	100.00
	Lee Ka Shing	17				100 (A shares)	100 (A shares)	100.00
	Lee Ka Shing	18				1 (B share)	1 (B share)	100.00

(b) Substantial Shareholders' and Others' Interests

As at the Latest Practicable Date, so far as was known to the Directors, the following persons (not being Directors or the chief executives of the Company) had an interest or short positions in the Shares and underlying shares of the Company which would fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept under Section 336 of the SFO as follows:

Long Positions

	No. of Shares in which interested	% Interest
Substantial Shareholders		
Rimmer (Cayman) Limited (<i>Note 1</i>)	3,509,782,778	72.50
Riddick (Cayman) Limited (<i>Note 1</i>)	3,509,782,778	72.50
Hopkins (Cayman) Limited (<i>Note 1</i>)	3,509,782,778	72.50
Henderson Development Limited (<i>Note 1</i>)	3,506,860,733	72.44
Yamina Investment Limited (<i>Note 1</i>)	1,580,269,966	32.64
Believegood Limited (<i>Note 1</i>)	797,887,933	16.48
South Base Limited (<i>Note 1</i>)	797,887,933	16.48
Persons other than Substantial Shareholders		
Cameron Enterprise Inc. (<i>Note 1</i>)	371,145,414	7.67
Richbond Investment Limited (<i>Note 1</i>)	475,801,899	9.83

Notes:

1. *Of these Shares, Dr Lee Shau Kee was the beneficial owner of 15,548,667 Shares, and for the remaining 3,509,782,778 Shares, (i) 1,450,788,868 Shares were owned by Henderson Development Limited ("HD"); (ii) 475,801,899 Shares were owned by Richbond Investment Limited which was a wholly-owned subsidiary of HD; (iii) 371,145,414 Shares were owned by Cameron Enterprise Inc.; 797,887,933 Shares were owned by Believegood Limited which was wholly-owned by South Base Limited; 152,897,653 Shares were owned by Prosglass Investment Limited which was wholly-owned by Jayasia Investments Limited; 140,691,961 Shares were owned by Fancy Eye Limited which was wholly-owned by Mei Yu Ltd.; 117,647,005 Shares were owned by Spreadral Limited which was wholly-owned by World Crest Ltd.; and Cameron Enterprise Inc., South Base Limited, Jayasia Investments Limited, Mei Yu Ltd. and World Crest Ltd. were wholly-owned subsidiaries of Yamina Investment Limited which in turn was 100% held by HD; and (iv) 2,922,045 Shares were owned by Fu Sang Company Limited ("Fu Sang"). Hopkins (Cayman) Limited ("Hopkins") as trustee of a unit trust (the "Unit Trust") owned all the issued ordinary shares of HD and Fu Sang. Rimmer (Cayman) Limited ("Rimmer") and Riddick (Cayman) Limited ("Riddick"), as trustees of respective discretionary trusts, held units in the Unit Trust. The entire issued share capital of Hopkins, Rimmer and Riddick were owned by Dr Lee Shau Kee. Dr Lee Shau Kee was taken to be interested in these Shares by virtue of the SFO. As Directors of the Company and discretionary beneficiaries of two discretionary trusts holding units in the Unit Trust, Dr Lee Ka Kit and Mr Lee Ka Shing were taken to be interested in these Shares by virtue of the SFO.*
2. *Mr Lee Tat Man was the beneficial owner of these shares.*
3. *Mrs Lee Pui Ling, Angelina was the beneficial owner of these Shares.*

4. *Madam Fung Lee Woon King was the beneficial owner of these shares.*
5. *These Shares were owned by the wife of Mr Woo Ka Biu, Jackson.*
6. *Of these shares, 843,249,284 shares, 602,398,418 shares, 363,328,900 shares, 217,250,000 shares and 84,642,341 shares were respectively owned by Banshing Investment Limited, Markshing Investment Limited, Covite Investment Limited, Gainwise Investment Limited and Darnman Investment Limited, all of which were wholly-owned subsidiaries of Kingslee S.A. which in turn was 100% held by the Company. Dr Lee Shau Kee was taken to be interested in the Company as set out in Note 1 and Henderson Investment Limited by virtue of the SFO. As Directors of the Company and discretionary beneficiaries of two discretionary trusts holding units in the Unit Trust, Dr Lee Ka Kit and Mr Lee Ka Shing were taken to be interested in these shares by virtue of the SFO.*
7. *Of these shares, 4,313,717,809 shares and 1,675,475,274 shares were respectively owned by Disralei Investment Limited and Medley Investment Limited, both of which were wholly-owned subsidiaries of Timpani Investments Limited; 1,759,499,632 shares were owned by Macrostar Investment Limited, a wholly-owned subsidiary of Chelco Investment Limited; and Timpani Investments Limited and Chelco Investment Limited were wholly-owned subsidiaries of Faxson Investment Limited which in turn was 100% held by the Company. Dr Lee Shau Kee was taken to be interested in the Company as set out in Note 1 and HKCG by virtue of the SFO. As Directors of the Company and discretionary beneficiaries of two discretionary trusts holding units in the Unit Trust, Dr Lee Ka Kit and Mr Lee Ka Shing were taken to be interested in these shares by virtue of the SFO.*
8. *These shares were owned by Professor Poon Chung Kwong and his wife jointly.*
9. *Of these shares, Dr Lee Shau Kee was the beneficial owner of 799,220 shares, and for the remaining 119,017,090 shares, 48,817,090 shares were held by Wiselin Investment Limited, 23,400,000 shares each were respectively owned by Graf Investment Limited, Mount Sherpa Limited and Paillard Investment Limited, all of which were wholly-owned subsidiaries of Pataca Enterprises Limited which in turn was 100% held by the Company. Dr Lee Shau Kee was taken to be interested in the Company as set out in Note 1 and Hong Kong Ferry (Holdings) Company Limited by virtue of the SFO. As Directors of the Company and discretionary beneficiaries of two discretionary trusts holding units in the Unit Trust, Dr Lee Ka Kit and Mr Lee Ka Shing were taken to be interested in these shares by virtue of the SFO.*
10. *Dr Lam Ko Yin, Colin was the beneficial owner of these shares.*
11. *Of these shares, 120,735,300 shares, 128,658,680 shares and 96,606,000 shares were respectively owned by Higgins Holdings Limited, Multiglade Holdings Limited and Threadwell Limited, all of which were wholly-owned subsidiaries of Aynbury Investments Limited which in turn was 100% held by the Company. Dr Lee Shau Kee was taken to be interested in the Company as set out in Note 1 and Miramar Hotel and Investment Company, Limited by virtue of the SFO. As Directors of the Company and discretionary beneficiaries of two discretionary trusts holding units in the Unit Trust, Dr Lee Ka Kit and Mr Lee Ka Shing were taken to be interested in these shares by virtue of the SFO.*
12. *These shares representing 65.98% of the total issued shares in Towngas China Company Limited were taken to be interested in by Hong Kong & China Gas (China) Limited (as to 1,905,302,051 shares), Planwise Properties Limited (as to 176,588,786 shares) and Superfun Enterprises Limited (as to 3,004,819 shares), all being wholly-owned subsidiaries of HKCG. Dr. Lee Shau Kee was taken to be interested in HKCG as set out in Note 7 and Towngas China Company Limited by virtue of the SFO. As Directors of the Company and discretionary beneficiaries of two discretionary trusts holding units in the Unit Trust, Dr. Lee Ka Kit and Mr. Lee Ka Shing were taken to be interested in these shares by virtue of the SFO.*
13. *These shares were held by Hopkins as trustee of the Unit Trust.*
14. *Of these shares, Dr Lee Shau Kee was the beneficial owner of 35,000,000 shares, and Fu Sang owned the remaining 15,000,000 shares.*
15. *Of these shares, (i) 10,400 shares were owned by the Company; and (ii) 15,600 shares were owned by Manifest Investments Limited which was 100% held by HD.*

16. *Of these shares, (i) 5,000 shares were owned by Applecross Limited which was wholly-owned by Dr Lee Ka Kit; and (ii) 5,000 shares were owned by Henderson (China) Investment Company Limited, a wholly-owned subsidiary of Andco Limited which was wholly-owned by Henderson China Holdings Limited, an indirect wholly-owned subsidiary of the Company.*
17. *These shares were owned by Jetwin International Limited. Triton (Cayman) Limited as trustee of a unit trust owned all the issued share capital of Jetwin International Limited. Triumph (Cayman) Limited and Victory (Cayman) Limited, as trustees of respective discretionary trusts, held units in the unit trust. The entire share capital of Triton (Cayman) Limited, Triumph (Cayman) Limited and Victory (Cayman) Limited were owned by Dr Lee Shau Kee who was taken to be interested in such shares by virtue of the SFO. As Directors of the Company and discretionary beneficiaries of the discretionary trusts holding units in such unit trust, Dr Lee Ka Kit and Mr Lee Ka Shing were taken to be interested in such shares by virtue of the SFO.*
18. *This share was owned by Sunnice Investment Limited, a wholly-owned subsidiary of Profit Best Development Limited which in turn was wholly-owned by the Company.*

Save as disclosed above, none of the Directors and chief executives of the Company had, as at the Latest Practicable Date, any interests or short positions in any shares and underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (other than the deemed interests of Dr Lee Shau Kee, Dr Lee Ka Kit and Mr Lee Ka Shing in the shares, underlying shares and debentures of the associated corporations of the Company which are solely derived from their deemed interests in Henderson Development Limited, Henderson Investment Limited, Miramar Hotel and Investment Company, Limited and/or the Company and not from any separate personal interests of their own, in respect of which a waiver from strict compliance with the disclosure requirements under Rule 14.66(3) of the Listing Rules and paragraphs 38(1) and 38(1A) of part B of Appendix 1 to the Listing Rules has been applied to, and granted by the Stock Exchange) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executives of the Company were taken or deemed to have pursuant to Divisions 7 and 8 of Part XV of the SFO), or which were entered in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

3. DIRECTORS' POSITIONS HELD IN COMPANIES HAVING DISCLOSEABLE INTERESTS

The table below shows the positions held by Directors in companies, which had interests or short positions in the Shares and underlying shares of the Company which would fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO, as at the Latest Practicable Date:

Name of Shareholder	Name of Director	Position Held
Rimmer (Cayman) Limited	Lee Shau Kee	Director
	Lee Ka Kit	Director
	Lee Ka Shing	Director
	Lee Tat Man	Director
	Lam Ko Yin, Colin	Director
	Fung Lee Woon King	Director
Riddick (Cayman) Limited	Lee Shau Kee	Director
	Lee Ka Kit	Director
	Lee Ka Shing	Director
	Lee Tat Man	Director
	Lam Ko Yin, Colin	Director
	Fung Lee Woon King	Director
Hopkins (Cayman) Limited	Lee Shau Kee	Director
	Lee Ka Kit	Director
	Lee Ka Shing	Director
	Lee Tat Man	Director
	Lam Ko Yin, Colin	Director
	Fung Lee Woon King	Director
Henderson Development Limited	Lee Shau Kee	Director
	Lee Ka Kit	Director
	Lee Ka Shing	Director
	Lee Tat Man	Director
	Lam Ko Yin, Colin	Director and Alternate Director
	Fung Lee Woon King	Director
Yamina Investment Limited	Fung Lee Woon King	Director

Name of Shareholder	Name of Director	Position Held
Believegood Limited	Lee Ka Shing	Director
	Lam Ko Yin, Colin	Director
	Fung Lee Woon King	Director
	Kwok Ping Ho	Director
South Base Limited	Fung Lee Woon King	Director
Cameron Enterprise Inc.	Lee Ka Shing	Director
	Lee Tat Man	Director
	Fung Lee Woon King	Director
Richbond Investment Limited	Lee Ka Shing	Director
	Fung Lee Woon King	Director

Save as disclosed above, as at the Latest Practicable Date, no Director or proposed Director is a director or employee of a company which has an interest or short position in the Shares and underlying shares of the Company which would fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered, or proposed to enter, into a service contract with any member of the Group which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

5. DIRECTORS' INTERESTS IN COMPETING BUSINESS

Dr Lee Ka Kit and Mr Lee Ka Shing, Chairmen and Managing Directors of the Company, and Dr Lee Shau Kee, Director of the Company, held directorships and/or have deemed interests in companies engaged in the same businesses of property investment, development and management in Hong Kong and mainland China as the Group. As those companies which engage in the same businesses as the Group are involved in the investment, development and management of properties of different types and/or in different locations, and the Group has been operating independently of, and at arm's length from, the businesses of those companies, no competition is considered to exist.

As at the Latest Practicable Date, in so far as the Directors are aware, save as disclosed above, none of the Directors or their respective close associates (as defined in the Listing Rules) had any interest in a business which competes or is likely to compete with the business of the Group.

6. DIRECTORS' INTEREST IN CONTRACTS AND ASSETS OF THE GROUP

As at the Latest Practicable Date, the following agreements or arrangement in which companies controlled by the private family trusts of Dr Lee Shau Kee, a Director of the Company, have indirect interest relating to a subsidiary of the Company's holding company (the "**Fellow Subsidiary**"), Sunlight Real Estate Investment Trust ("**Sunlight REIT**") and Union Medical Centre Limited ("**Union Medical**"), were subsisting:

- (a) unsecured advances from the Fellow Subsidiary to the Group on normal commercial terms having no fixed terms of repayment;
- (b) trust deeds and agreements entered into by the Group with the asset manager or property manager of Sunlight REIT in relation to the appointment of asset and property managers of, and provision of security services and ancillary property services to, Sunlight REIT; and
- (c) licence and tenancy agreements entered into by the Group as licensor/landlord with Union Medical as licensee/tenant in relation to the licensing/leasing of certain premises located at H Zentre, No. 15 Middle Road, Tsim Sha Tsui, Kowloon, Hong Kong.

Save as disclosed above, (i) none of the Directors was materially interested in any contract or arrangement subsisting and which was significant in relation to the business of the Group; and (ii) none of the Directors had any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group or were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2020, being the date to which the latest published audited consolidated financial statements of the Group were made up.

7. MATERIAL CONTRACTS

There are no material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by any member of the Group within the two years immediately preceding the date of this circular and which are or may be material.

8. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration of material importance and, so far as the Directors are aware, no litigation or claim of material importance is pending or threatened against any member of the Group.

9. GENERAL

- (a) The registered office of the Company is at 72nd-76th Floors, Two International Finance Centre, 8 Finance Street, Central, Hong Kong.
- (b) The share registrar of the Company is Computershare Hong Kong Investor Services Limited situated at 46th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (c) The secretary of the Company is Mr. Liu Cheung Yuen, Timon, *BEC, FCPA, CA (Aust), FCS, FCG*.
- (d) The English text of this circular shall prevail over the Chinese text in the case of inconsistency.

10. DOCUMENT ON DISPLAY

The Memorandum of Agreement will be published on the websites of the Company (www.hld.com) and the Stock Exchange (www.hkexnews.hk) for a period of 14 days from the date of this circular (inclusive).

