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恒隆集團有限公司

**HANG LUNG GROUP LIMITED**

(Incorporated in Hong Kong with limited liability)  
(Stock Code: 00010)

## **DISCLOSEABLE TRANSACTION ACQUISITION OF SHARES IN HANG LUNG PROPERTIES LIMITED**

During the period from August 31, 2021 to August 23, 2022 (both dates inclusive), the Company, through its wholly-owned subsidiary, acquired on the open market in Hong Kong an aggregate of 60,632,000 HLP Shares at a total consideration of approximately HK\$941,326,000 in cash.

As one of the applicable percentage ratios is greater than 5% but less than 25% for the purpose of rule 14.07 of the Listing Rules, the Acquisition constitutes a discloseable transaction for the Company under the Listing Rules and is therefore subject to the requirements of reporting and announcement pursuant to Chapter 14 of the Listing Rules.

### **THE ACQUISITION**

- Dates : For the period from August 31, 2021 to August 23, 2022 (both dates inclusive)
- Parties : (i) Curicao Company Limited, a wholly-owned subsidiary of the Company incorporated in Hong Kong with limited liability, and is principally engaged in investment holding, as the purchaser
- (ii) sellers in the open market in Hong Kong and the Company is not aware of the identities of the related sellers. To the best of the knowledge, information and belief of the Directors after making all reasonable enquiry, the sellers are independent third parties to the Company and its connected persons.
- Interests acquired : An aggregate of 60,632,000 HLP Shares, which represents approximately 1.3% of the total number of HLP Shares in issue as at the date of this announcement. So far as the Directors are aware, there are no contractual restrictions which are applicable to the subsequent sale of the HLP Shares under the Acquisition.

As a result of the Acquisition, the shareholding interests of the Group in HLP increased from approximately 58.2% as at August 31, 2021 to approximately 59.5% as at the date of this announcement.

## TOTAL CONSIDERATION

The total consideration was approximately HK\$941,326,000 in cash which was/will be satisfied on the respective settlement dates from internal resources and/or by banking facilities of the Group. The average purchase price per HLP Share acquired is HK\$15.5.

The consideration per HLP Share was the market prices quoted on the Stock Exchange at which the transactions for the Acquisition were executed.

## INFORMATION ON THE COMPANY AND HLP

The Company is listed on the Stock Exchange with more than 60 years of experience in property development. The principal business of the Company is investment holding. The Company is the holding company of HLP.

HLP is the property arm of the Company, being one of the major property development and investment companies in Hong Kong in terms of its market capitalization. The principal activity of HLP is investment holding, and through its subsidiaries, principal activities include property development for sales and leasing, property investment for rental income and other investments. The Group also operates in car park management and property management, and through its joint ventures, is involved in the provision of dry and laundry cleaning services.

The table below sets out the published audited financial information extracted from HLP for the years ended December 31, 2020 and 2021 and the unaudited interim results for the six months ended June 30, 2022:

	<b>For the six months ended June 30, 2022 (unaudited) in HK\$ million</b>	<b>For the year ended December 31, 2021 (audited) in HK\$ million</b>	<b>2020 (audited) in HK\$ million</b>
Profit/(loss) before taxation	2,980	6,888	(863)
Profit/(loss) after taxation	2,257	4,805	(2,056)
Profit/(loss) attributable to shareholders	1,948	3,868	(2,571)
	<b>At June 30, 2022 (unaudited) in HK\$ million</b>	<b>At December 31, 2021 (audited) in HK\$ million</b>	<b>2020 (audited) in HK\$ million</b>
Net asset value	147,046	152,384	148,188

## **REASONS FOR AND BENEFITS OF THE ACQUISITION**

The Board is of the view that the recent stock market conditions present a good opportunity for acquisition of HLP Shares to increase the Company's ownership in HLP. The Board considers that the terms of the Acquisition, which were all conducted on the open market in Hong Kong, are on normal commercial terms, and are fair and reasonable, and in the interests of the Company and its shareholders as a whole.

## **IMPLICATIONS UNDER THE LISTING RULES**

As one of the applicable percentage ratios is greater than 5% but less than 25% for the purpose of rule 14.07 of the Listing Rules, the Acquisition constitutes a discloseable transaction for the Company under the Listing Rules and is therefore subject to the requirements of reporting and announcement pursuant to Chapter 14 of the Listing Rules.

## **DEFINITIONS**

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

“Acquisition”	the purchase of an aggregate of 60,632,000 HLP Shares conducted on the open market in Hong Kong during the period from August 31, 2021 to August 23, 2022 (both dates inclusive) at a total consideration of approximately HK\$941,326,000 in cash
“Board”	the board of Directors
“Company”	Hang Lung Group Limited, a limited liability company incorporated under the laws of Hong Kong whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 00010)
“connected person”	has the meaning as defined in the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries (for the purpose of disclosure in this announcement, excluding HLP and HLP's subsidiaries)
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HLP”	Hang Lung Properties Limited, a limited liability company incorporated under the laws of Hong Kong whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 00101) and a listed non-wholly-owned subsidiary of the Company
“HLP Share(s)”	the shares of HLP in issue
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“PRC”	the People’s Republic of China (for the purpose of disclosure in this announcement, excludes Hong Kong Special Administrative Region of the People’s Republic of China, Macau Special Administrative Region of the People’s Republic of China and Taiwan)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By Order of the Board  
**Winnie MA**  
Company Secretary

Hong Kong, August 23, 2022

*As at the date of this announcement, the Board comprises:*

*Executive Directors:* Mr. Ronnie C. CHAN, Mr. Adriel CHAN, Mr. Weber W.P. LO and Mr. Kenneth K.K. CHIU

*Non-Executive Directors:* Mr. Gerald L. CHAN, Mr. George K.K. CHANG and Mr. Roy Y.C. CHEN

*Independent Non-Executive Directors:* Mr. Simon S.O. IP, Prof. P.W. LIU, Prof. L.C. TSUI and Mr. Martin C.K. LIAO