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LEE HING DEVELOPMENT LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 68)

SUPPLEMENTAL ANNOUNCEMENT TO CONSOLIDATED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2020

Reference is made to the announcement made by Lee Hing Development Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 13 April 2021 relating to the consolidated results for the year ended 31 December 2020 (“**2020 Final Results Announcement**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as in the 2020 Final Results Announcement.

SUPPLEMENTAL TO THE 2020 FINAL RESULTS ANNOUNCEMENT

It is stated in the 2020 Final Results Announcement that the auditors of the Company (“**Auditors**”) issued a qualified opinion for the consolidated results for the year ended 31 December 2020 (“**2020 Results**”) as it is not able to obtain sufficient appropriate evidence about the Group’s investments in PureCircle Limited (“**PureCircle**”) (previously listed on the Main Market of the London Stock Exchange) and Ingredion SRSS Holdings Limited (now known as PureCircle Limited) (“**Ingredion Holdings**”) and in respect of the call option linked to the shares in PureCircle held by the Group (“**Call Option**”) (the “**Qualification**”).

The Company wishes to provide further information relating to the Qualification:

1. As set out in the circular issued by the Company dated 23 July 2020 (“**Circular**”), pursuant to a scheme of arrangement (“**Scheme**”), PureCircle became the wholly owned subsidiary of Ingredion Holdings and the Company became a shareholder of Ingredion Holdings.
2. Prior to the implementation of the Scheme referred to in 1 above, trading in the shares of PureCircle on the Main Market of the London Stock Exchange has been suspended from 28 October 2019 and resumed trading on 15 April 2020, as a result of the delay in the completion of the audit of the final results of PureCircle for the year ended 30 June 2019. As the final results of PureCircle for the year ended 30 June 2019 remained outstanding as at 31 December 2019 and for reasons mentioned in the announcement made by the Company dated 11 May 2020, relating to, among others, the reasons for not able to obtain sufficient appropriate audit evidence as to the fair value of the investments in PureCircle

and the Call Option, the Auditors was not able to obtain sufficient audit evidence as to the fair value of the investments in PureCircle and the Call Option as at 31 December 2019 and 1 January 2020 respectively and the effect of any change in fair value on the net assets of the Group as at 31 December 2019 and 1 January 2020 respectively.

3. During the financial year ended 31 December 2020, pursuant to the Scheme, the Group's investments in PureCircle were disposed of pursuant to the Scheme (as detailed in the Circular) for cash and shares in Ingredion Holdings. The Group further disposed of some of its shares in Ingredion Holdings as detailed in the Circular.
4. The carrying value of the Group's investment in Ingredion Holdings (whose main asset is PureCircle) was recorded in the books of the Group at the value of US\$0.62 per share with reference to the unaudited financial statements of PureCircle for the year ended 31 December 2020.
5. As both PureCircle and Ingredion Holdings are private non-listed companies, no audited financial statements have been prepared for both companies for the year ended 31 December 2020. Hence, the required audit evidence as to the value of the Group's investments in Ingredion Holdings is not available.
6. As an alternative, the Company has tried to obtain an independent valuation of its investments in Ingredion Holdings. For the purpose of conducting a valuation, financial information and projections of future performance of Ingredion Holdings are required. However, as the Company is a minority shareholder of Ingredion Holdings, and does not exercise control over the management of Ingredion Holdings, the Company is not in a position to obtain the financial information required by the independent valuer.
7. For the reasons set out in 5 and 6 above, the Company is not able to provide the Auditors with sufficient audit evidence as to the value of the Group's investments in Ingredion Holdings as at 31 December 2020.

In light of the above, the management of the Company agreed with the auditor's view as to the basis of the Qualification as set out in the 2020 Final Results Announcement. The audit committee of the Company noted and agreed with the basis of the Qualifications of the auditors. The audit committee has also reviewed and considered the basis of the management's position and agreed with the management's position.

The Company will continue to liaise with the management of Ingredion Holdings for the audited financial information of Ingredion Holdings and other required financial information for the purpose of providing sufficient information and evidence to the auditors as to the value of the Company's interests in Ingredion Holdings.

CONTINUE SUSPENSION OF TRADING

Trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 17 March 2021 and will remain suspended.

By order of the Board
Lee Hing Development Limited
Tan Boon Seng
Chairman and Managing Director

Hong Kong, 20 April 2021

As at the date of this announcement, the Board comprises two executive Directors, Mr. Tan Boon Seng and Mr. Chan Kai Kwok; and three independent non-executive Directors, Mr. Ho Hau Chong, Norman, Mr. Fung Ka Pun and Mr. Lim Lay Leng.