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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)

MAJOR TRANSACTION

SUCCESSFUL TENDER OF LAND

The Board is pleased to announce that 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.

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.

A circular containing, among other things, further information on the Acquisition and financial information of the Group is expected to be despatched to the Company's shareholders for information purpose in accordance with rule 14.33B of the Listing Rules on or before 15 December 2021.

INTRODUCTION

The Board is pleased to announce that 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.

DETAILS OF THE MEMORANDUM OF AGREEMENT AND ACQUISITION

The parties

- (1) the Government of Hong Kong as the vendor, a third party independent of the Company and its connected persons
- (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

Under the terms of the Conditions of Sale, Pacific Gate shall enter into the Memorandum of Agreement with the Government of Hong Kong in respect of the Acquisition within 14 days from the date of the Letter.

Land Premium and the payment terms

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

- (a) a deposit of HK\$50,000,000 paid at the time when the Tender was submitted has been applied in part payment of the Land Premium;
- (b) the further deposit of HK\$5,030,000,000 shall be paid on or before 12 November 2021, which shall also be applied in part payment of the Land Premium; and
- (c) the remaining balance of HK\$45,720,000,000 shall be paid within 28 days from the date of the Letter.

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 which the Land is situated and the overall prospect of the property market in Hong Kong.

The Land Premium will be funded by the Group's internal resources and bank financing.

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. 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 its 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.

A circular containing, among other things, further information on the Acquisition and financial information of the Group is required to be despatched to the Company's shareholders for information purpose in accordance with rule 14.33B of the Listing Rules. As more time is needed for the Company to prepare the required financial information of the Group, it is expected that the circular will be despatched to the Company's shareholders on or before 15 December 2021, which is more than 15 business days from the date of this announcement.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:-

“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
“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
“Memorandum of Agreement”	the memorandum of agreement to be entered into between the Government of Hong Kong and Pacific Gate 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
“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

By Order of the Board
Timon LIU Cheung Yuen
Company Secretary

Hong Kong, 3 November 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 Bui, Jackson, Poon Chung Kwong and Au Siu Kee, Alexander.