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LEE HING DEVELOPMENT LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 68)

VERY SUBSTANTIAL DISPOSAL

DISPOSAL OF SHARES IN PURECIRCLE LIMITED PURSUANT TO EXIT ARRANGEMENTS

References are made to: (i) the announcement of Lee Hing Development Limited (the “**Company**”) dated 9 June 2020; (ii) the circular of the Company dated 23 July 2020 (the “**Circular**”); and (iii) the announcement of the Company dated 10 August 2020, all concerning, among others, the very substantial disposal of the Company in relation to, among others, the Exit Arrangements in respect of shares in PureCircle Limited (previously known as Ingredion SRSS Holdings Limited) (“**Bidco**”). Unless otherwise defined, terms defined in the Circular shall have the same meaning when used in this announcement.

At the EGM held on 10 August 2020, the Shareholders approved, confirmed and ratified, among others, the execution by Wang Tak of the Bidco Shareholders’ Agreement and the transactions contemplated thereunder (including but not limited to the Exit Arrangements) by way of the passing of an ordinary resolution.

As disclosed in the Circular, according to the Exit Arrangements, annually with effect from 1 January 2022 and for three consecutive years thereafter (namely in total for a period of four years starting from 1 January 2022 and expiring on 31 December 2025), Ingredion will notify the Minority Investors of the number of the Bidco Shares it is willing to purchase that year, which will be equal to at least 6.25% of the total issued Bidco Shares (as at the Effective Date) (each an “**Annual Purchase Offer**”). Each Minority Investor will have a right to sell its pro-rata percentage of such number of Bidco Shares under each Annual Purchase Offer to Ingredion at the fair price.

By an annual transfer notice (the “**Annual Transfer Notice 2022**”) dated 11 May 2022 given by Ingredion to Wang Tak, Ingredion has unconditionally offered to purchase from Wang Tak up to 9,188,960 Bidco Shares (being Wang Tak’s pro-rata share) pursuant to the Annual Purchase Offer for the year 2022 at the price of US\$0.872 per Bidco Share. As explained by Ingredion in the Annual Transfer Notice 2022, such price represents an increment of approximately 32% from US\$0.66 per share in Bidco which Ingredion paid in total for 75% issued share capital in Bidco.

In order to preserve Wang Tak's opportunity to enjoy the potential continuous appreciation of value of the Bidco Shares which Wang Tak is continuing to hold, Wang Tak has accepted the Annual Purchase Offer for the year 2022 in part only to sell 2,000,000 Bidco Shares sufficient for generating net proceeds of approximately US\$1,744,000 to satisfy the working capital need of the Group.

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

Hong Kong, 23 May 2022

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