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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 3, 2023 to June 13, 2024 (both dates inclusive), the Company, through its wholly-owned subsidiary, acquired in the open market in Hong Kong an aggregate of 62,000,000 HLP Shares at a total consideration of approximately HK\$609,792,313 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 3, 2023 to June 13, 2024 (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; and
- (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 62,000,000 HLP Shares, which represents approximately 1.38% 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 60.13% as at August 2, 2023 to approximately 61.51% as at the date of this announcement.

TOTAL CONSIDERATION

The total consideration was approximately HK\$609,792,313 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\$9.84.

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

INFORMATION OF THE COMPANY AND HLP

The Company is listed on the Stock Exchange with more than 60 years of experience in the property development market. The Company is the holding company of HLP. The principal business of the Company is investment holding and through its subsidiaries, property development for sales and leasing, property investment for rental income, and other investments. The Company and its subsidiaries also operate in car park management and property management, and through its joint ventures, are involved in the provision of dry and laundry cleaning service.

HLP is the property arm of the Company. The principal activity of HLP is investment holding, and through its subsidiaries, property investment for rental income, property development for sales and leasing, car park management and property management.

The table below sets out the audited financial information extracted from HLP's published annual reports for the years ended December 31, 2022 and December 31, 2023:

	For the year ended December 31,	
	2023	2022
	(audited)	(audited)
	in HK\$ million	in HK\$ million
Profit before taxation	6,168	5,850
Profit after taxation	4,596	4,397
Profit attributable to shareholders	3,970	3,836

	At December 31,	
	2023	2022
	(audited)	(audited)
	in HK\$ million	in HK\$ million
Net asset value	142,123	143,146

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Board views the recent stock market conditions as a good opportunity to increase the Company's ownership in HLP through the acquisition of HLP shares. The Board considers that the terms of the Acquisition, which were all conducted in the open market in Hong Kong, are normal commercial terms, 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 62,000,000 HLP Shares conducted in the open market in Hong Kong during the period from August 3, 2023 to June 13, 2024 (both dates inclusive) at a total consideration of approximately HK\$609,792,313 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

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

“%”

per cent

By Order of the Board

Winnie MA

Company Secretary

Hong Kong, June 13, 2024

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

Executive Directors: 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,

Mr. Martin C.K. LIAO and Ms. May S.B. TAN