



恒基兆業地產有限公司
HENDERSON LAND DEVELOPMENT COMPANY LIMITED

Stock Code: 12

FY2020 Annual Results

March 2021

"Two Artlane", Sai Ying Pun, HK <image> with Street Art



30-44 Gillies Avenue South/75-77 Baker Street, Hung Hom, HK <image>



"H Zentre", Tsim Sha Tsui, HK

"Lumina Guangzhou", Yuexiu District, Guangzhou

New Kowloon Inland Lot No. 6565, Kai Tak, HK <image>

Disclaimer



This presentation has been prepared by Henderson Land Development Company Limited (the "Company" or "HLD") solely for information purposes and does not constitute an offer, recommendation or invitation to subscribe for or purchase any securities and nothing contained herein shall form the basis of any contract or commitment whatsoever.

The information contained in this presentation has been taken from sources deemed reliable by the Company. However, no representation or warranty (express or implied) is given as to the accuracy or completeness of the information contained herein and none of the Company and/or its affiliated companies and/or their respective employees and/or agents accepts any responsibility or liability as to, or in relation to, the accuracy or completeness of the information and opinions contained in this presentation or as to any information contained in this presentation remaining unchanged after the issue thereof.

This presentation contains forward-looking statements. Statements that are not historical facts, including statements about the Company's beliefs and expectations are forward-looking statements. These statements are based on current plans, estimates and projections, and therefore you should not place undue reliance on them. Forward-looking statements speak only as of the date they are made, and the Company undertakes no obligation to update, modify or amend this presentation or to otherwise notify the recipient if any information, opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate. Forward-looking statements involve inherent risks, uncertainties and assumptions. The Company cautions you that if these risks or uncertainties ever materialise or the assumptions prove incorrect, or if a number of important factors occur or do not occur, the Company's actual results may differ materially from those expressed or implied in any forward-looking statement.

You acknowledge and agree that HLD and/or its affiliated companies and/or their respective employees and/or agents has/have no responsibility or liability (express or implied) whatsoever and howsoever arising (including, without limitation for any claim, proceedings, action, suits, losses, expenses, damages or costs) which may be brought against or suffered by any person as a result of acting in reliance upon the whole or any part of the contents of this presentation and neither the Company, its affiliated companies nor their respective employees or agents accepts any liability for any error, omission or misstatement, negligent or otherwise, in this presentation and any liability in respect of the presentation or any inaccuracy therein or omission therefrom which might otherwise arise is hereby expressly disclaimed.

The photographs of those reference building models shown in this document aim at presenting to analysts and fund managers etc. preliminary information of the development projects within the portfolio of Henderson Land Development Company Limited and are for the reference of analysts and fund managers etc. only. They are not purported to promote the sale of any residential property. The reference building models of these development projects are the preliminary ideas generated by the architectural designers. The developers reserve the right to make modifications and changes according to the actual circumstances without prior notice. The overall design, elevation, layout, construction materials or colour scheme of these development projects may be changed from time to time and all the building plans and elevation plans relating to them are subject to the final approval by relevant Government authorities.

	Pages
FY2020 Annual Results Highlights	4 – 6
Sales of Property Interests	7
Property Development	8 – 20
Property Investment	21 – 25
Hong Kong and China Gas	26 – 27
Strong Financial Position	28
Prospects	29
Annexes	30 – 45

FY2020 Annual Results Highlights



Audited	FY2020 HK\$ mn	FY2019 HK\$ mn	Change
Property Development (Attributable Pre-tax Underlying Profit) [☆]	9,649	3,629* <WSW>	
Gain from Sales of Property Interests (Attributable Pre-tax Underlying Profit) ^ψ	367	6,020+ 5,889#	+63.9%
		1,689§	-78.3%
Property Leasing (Attributable Pre-tax Net Rental Income) [☆]	6,467	7,065	-8.5%
HKCG[^] - Share of Net Profit(after tax) (utility and energy business only)	3,013	2,912	+3.5%
Profit attributable to Shareholders			
Underlying profit (excluding fair value change on investment properties ⁴)	14,899	14,640	+1.8%
Reported profit	10,192	16,994	-40.0%
Earnings per share (HK\$)			
Based on underlying profit	3.08	3.02	+2.0%
Based on reported profit	2.11	3.51	-40.0%
Dividends per share (HK\$)			
Interim dividend	1.80	1.80	Flat
Final dividend	0.50	0.50	
	1.30	1.30	

Notes

* All the figures represent the Group's attributable share of contributions (before taxation) from its subsidiaries, associates and joint ventures in Hong Kong and Mainland China.

* Represents the pre-tax underlying profit contribution of HK\$3,629mn from the transfer of equity interest in the company holding interests in certain land lots in Wo Shang Wai, N.T. ("WSW")

+ Represents the balance of Property Development attributable Pre-tax Underlying Profit of HK\$9,649mn in FY2020 less HK\$3,629mn* in relation to Wo Shang Wai land lots transaction

If the fair value change of the related properties is included, the attributable pre-tax reported profit contribution from property sales for FY2019 should be HK\$5,888mn

ψ Sales of Property Interests include gains on transfers of joint ventures and subsidiaries which own investment properties, gains on disposal of investment properties and cumulative fair value gains relating to the investment properties disposed of during the year, covering both HK and Mainland China

§ Including the pre-tax underlying profit contribution of HK\$1,305mn on transfer of interests in joint ventures which collectively own No. 8 Observatory Road, an investment property

^ HKCG refers to HLD's listed associate, The Hong Kong and China Gas Company Limited, in which HLD owns 41.53% equity interest.

⁴ The attributable share of the aggregate fair value change during the year (net of deferred taxation) of investment properties held by subsidiaries, associates and joint ventures is excluded from the calculation of Underlying Profit. In order to fully exclude the impact of changes in fair value from the underlying profit, the cumulative fair value changes (net of tax) on investment properties disposed of during the year were added back in the calculation of the underlying profits.

FY2020 Annual Results Highlights (cont'd)



	Audited 31 Dec 2020	Audited 31 Dec 2019	Change
HK\$ mn			
Shareholders' equity	327,607	320,851	+2.1%
Cash and bank balances	5,807	10,734	-45.9%
Net debt	88,138	81,655	+7.9%
HK\$			
Net debt to Shareholders' equity	26.9%	25.5%	+1.4 percentage points
Net asset value per share [^]	67.67	66.28	+2.1%

[^] The net asset values per share at 31 December 2020 and 31 December 2019 were calculated based on the number of issued shares outstanding at 31 December 2020 and 31 December 2019 respectively.

FY2020 Annual Results Highlights (cont'd)

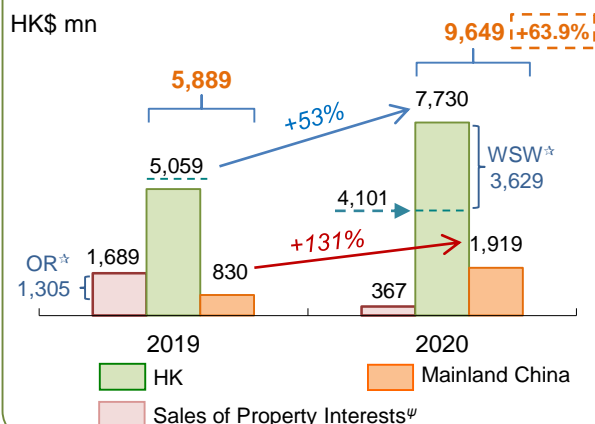


Property Development* & Sales of Property Interests^ψ

Property Development Revenue:
HK\$21,108 mn + 24% y-o-y

Pre-tax Underlying Profit*

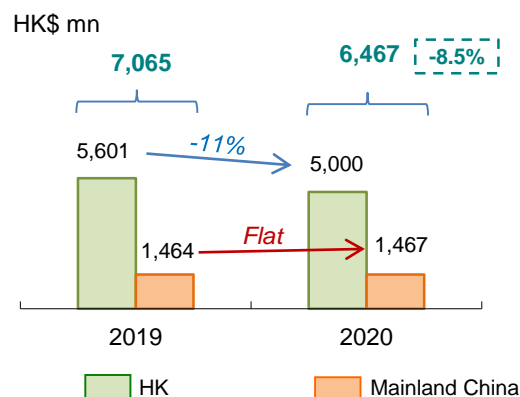
(from Property Development & Sales of Property Interest)



Property Leasing*

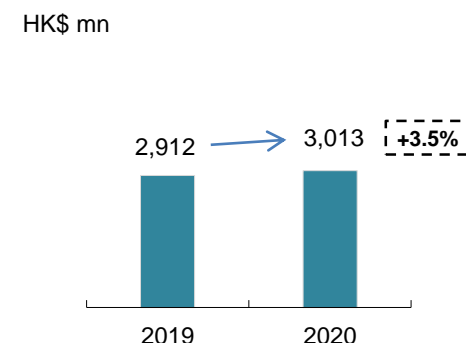
Gross Rental Income:
HK\$ 8,603 mn - 6% y-o-y

Pre-tax Net Rental Income*



HKCG[^]

Share of Net Profit(after tax):
(utility & energy business only)



- ✓ Properties sold and pre-sold (attributable to HLD) in 2020: **HK\$14,425 mn** (2019: HK\$23,865 mn)
 - HK: HK\$8,035 mn (2019: HK\$15,579 mn[#])
 - Mainland China: HK\$6,390 mn (2019: HK\$8,286 mn)

inclusive of Sales of Development Properties & Sales of Property Interests in respect of Sales of Development Properties
- ✓ **Abundant** Contracted sales of properties yet to be recognized (attributable to HLD): **HK\$ 22,026 mn** as of 31 Dec 2020
 - HK: HK\$11,336 mn (2019: HK\$17,551 mn[#])
 - Mainland China: HK\$10,690 mn (2019: HK\$11,000 mn)
- ✓ Dividend declared by HKCG[^] for FY2020 attributable to HLD: **HK\$2,583 mn** (5% y-o-y)

* All the figures represent the Group's attributable share of contributions (before taxation) from its subsidiaries, associates and joint ventures in Hong Kong and Mainland China.

[#] Includes the aggregate consideration of HK\$4,700 mn (before adjustments) from the transfer of equity interest in the company holding interests in certain land lots in Wo Shing Wai, N.T. ("WSW")

^ψ Represents the underlying profit contribution from the transfer of interests in joint ventures holding the commercial property at 8 Observatory Road, Tsim Sha Tsui ("OR") in FY2019

[^] HKCG refers to HLD's listed associate, The Hong Kong and China Gas Company Limited, in which HLD owns 41.53% equity interest.

^ψ Sales of Property Interest includes gains on transfers of joint ventures and subsidiaries which own investment properties, gains on disposal of investment properties and cumulative fair value gains relating to the investment properties disposed of during the year, covering both HK and Mainland China

“Sales of Property Interests^Δ” Transaction Highlights



Hong Kong

Golden Centre, Sheung Wan (Completed in Dec 2016)

- Consideration (as adjusted): HK\$4,348 mn
- Realized Gain: HK\$3,832 mn attri. to underlying profit booked in FY2016

Newton Inn, North Point (Completed in Jul 2017)

- Consideration (as adjusted): HK\$1,000 mn
- Realized Gain: HK\$697 mn attri. to underlying profit booked in FY2017

Newton Place Hotel, Kwun Tong (Completed in Sep 2017)

- Consideration (as adjusted): HK\$2,244 mn
- Realized Gain: HK\$1,491 mn attri. to underlying profit booked in FY2017

Tuen Mun Town Lot No. 500 (Completed in Jan 2018)

- Consideration (as adjusted): HK\$6,611 mn
- Realized Gain: HK\$2,780 mn attri. to underlying profit booked in FY2018

18 King Wah Road, North Point (Completed in Feb 2018)

- Consideration (as adjusted): HK\$9,943 mn
- Realized Gain: HK\$5,609 mn attri. to underlying profit booked in FY2018

No. 8 Observatory Road*, Tsim Sha Tsui (Completed in Mar 2019)

- Consideration (as adjusted): HK\$4,066 mn on 100% basis
- Realized Gain: HK\$1,305 mn attri. to underlying profit booked in FY2019

Wo Shang Wai land lots, Yuen Long (Completed in Jul 2020)

- Consideration: HK\$4,700 mn (as adjusted)
- Realized Gain: HK\$3,629 mn attri. to underlying profit in FY2020



Mainland China

Beijing Henderson Centre (Completed in Feb 2017)

- Consideration: HK\$3,261 mn
- Realized Gain: HK\$1,014 mn (after tax) attri. to underlying profit booked in FY2017

Land Site in Fangcun, Guangzhou (Completed in Mar 2017)

- Consideration: HK\$2,017 mn
- Realized Gain: HK\$1,045 mn (after tax) attri. to underlying profit booked in FY2017

Nine Property Development Projects Located in Anshan, Dalian, Guangzhou, Tieling & Shenyang (Completed in Jul 2017)

- Consideration: HK\$8,544 mn, subject to adjustments
- Realized Gain: HK\$275 mn (after tax) attri. to underlying profit booked in FY2017

^ΔExcept for the transaction in relation to Wo Shang Wai Land Lots, Tuen Mun Town Lot No.500, Guangzhou Fangcun and the Nine Property Development Projects (which are sales of development projects), Gain from Sales of Property Interests was generated from the disposal of investment property interests in Hong Kong and Mainland China. Sales of Property Interests relating to investment properties includes gains on transfers of interests in joint ventures and subsidiaries which own investment properties, gains on disposal of investment properties and cumulative fair value gains (net of tax) relating to the investment properties disposed of during the year, covering both HK and Mainland China

*HLD has 50% interest in the investment property at No. 8 Observatory Road

Transaction completed in FY2016

Transactions completed in FY2017

Transactions completed in FY2018

Transaction completed in FY2019

Transaction completed in FY2020

Property Development



- Unsold stock from residential and commercial-cum-residential projects provides substantial future saleable resources
- 1 residential project was completed in FY2020 with total attributable GFA of 135,352 sq. ft. (FY2019: 1,341,396 sq.ft. of residential projects)

Residential Developments offered for sale in Hong Kong	Usage*	HLD's interest	Total no. of units	Initial launch	No. of Project units pre-sold & sold					No. of Unsold Units as at 30/6/20	Anticipated Completion
					2016	2017	2018	2019	2020		
Arbour, Tsim Sha Tsui	C/R	100%	172	Nov 20	n.a.	n.a.	n.a.	n.a.	117	55	1H 21
Two-Artlane, Sai Ying Pun	C/R	100%	264	Sep 20	n.a.	n.a.	n.a.	n.a.	165	99	2H 21
The Royale (Ph. 2), Tuen Mun	R	16.71%	611	Nov 20	n.a.	n.a.	n.a.	n.a.	415	196	1H 22
The Royale (Ph. 1), Tuen Mun	R	16.71%	614	Aug 20	n.a.	n.a.	n.a.	n.a.	590	24	1H 22
Aquila-Square Mile, Mong Kok	C/R	100%	488	May 20	n.a.	n.a.	n.a.	n.a.	169	319	2H 21
The Richmond, Mid-levels	C/R	100%	90	Jan 20	n.a.	n.a.	n.a.	n.a.	80	10	2H 21
The Addition, Cheung Sha Wan	C/R	100%	200	Apr 19	n.a.	n.a.	n.a.	163	18	19	1H 21
The Vantage, Hung Hom	C/R	100%	551	Mar 19	n.a.	n.a.	n.a.	534	6	11	1H 21
Reach Summit, Yuen Long	R	79.03%	504	Oct 18	n.a.	n.a.	129	354	7	14	Completed prior to 31 Dec 2020
Cetus-Square Mile, Mong Kok	C/R	100%	514	Jun 18	n.a.	n.a.	416	3	0	95	
NOVUM WEST, Sai Ying Pun	C/R	100%	645	Mar 17	n.a.	295	256	79	11	4	
South Walk-Aura, Aberdeen	C/R	100%	142	Mar 18	n.a.	n.a.	113	2	1	26	
NOVUM EAST, Quarry Bay	C/R	100%	464	Oct 17	n.a.	55	237	125	20	27	
Eden Manor, Kwu Tung	R	100%	590	Mar 17	n.a.	195	97	24	33	241	
Double Cove (Ph. 1-5), Ma On Shan	C/R	59%	3,535	Sep 12	493	152	31	10	42	33	
The Reach, Yuen Long	R	79.03%	2,580	Oct 12	6	13	6	0	1	2	
Others [‡]	C/R				857	363	107	29	9	34	
Total					1,356	1,073	1,393	1,324	1,684	1209 @ 798,732 sq.ft.	

*R = Residential, C = Commercial, O = Office

[‡]Others refer to 39 Conduit Road, AXIS, Metro6, The Zutten, Hill Paramount, Green Lodge and the Seven The H collection projects: H-Bonaire, High Park, High Place, High Point, High One, High One Grand, High Park Grand, Park One, PARK REACH, Eltanin-Square Mile, Harbour Park, Green Code, Jones Hive, Parker33, Seven Victory Avenue and Wellesley

End of 2019: <653 @ 774,755 sq.ft.>



Recent Pre-sale Launches (As at mid-March 2021)

- Urban – Hong Kong Island:



Two • Artlane, Sai Ying Pun (100% owned)

Total no. of units	264
Presale launched in Sep 2020	189 units successfully pre-sold (over 71% pre-sold)
Average Selling Price (Net)	Approx. HK\$ 28,800 psf of Saleable Area
Land Costs	Approx. HK\$ 7,100 psf of GFA
Expected Completion	2H 2021

- Suburban – New Territories:

Skypoint Royale, The Royale(Ph. 3) (16.71% attributable)

Total no. of units	557
Presale launched in Feb 2021	375 units successfully pre-sold (over 67% pre-sold)
Average Selling Price (Net)	Approx. HK\$15,700 psf of Saleable Area
Land Costs	Approx. HK\$4,085* psf of GFA
Expected Completion	1H 2022



* Note: Representing the average unit land cost of the whole project of The Royale



■ Sale pipeline of new projects in Hong Kong for 2021 (as at 31 December 2020)

Project name and location	Usage*	HLD's interest	No. of R* units	Attri. GFA/ Saleable Area (sq. ft.)*		Completion Timing
				C	R	
① The Royale (Ph. 3), Tuen Mun (Sale launched in Feb'21)	R	16.71%	557	-	28,255 (Saleable)	1H 22
② The Hampstead Reach, Yuen Long (Sale launched in Mar'21)	R	100%	16	-	28,706 (Saleable)	Completed
③ 71 Main Street, Ap Lei Chau	C/R	100%	138	4,110	36,207	2H 22
④ 1 Shau Kei Wan Road, Quarry Bay	R	100%	420	-	128,821	1H 23
⑤ New Kowloon Inland Lot No. 6565, Kai Tak [#]	C/R	100%	1,184	24,251	630,351	1H 22/2H 22
⑥ Fanling Sheung Shui Town Lot 262, Fanling North [#]	R	100%	1,576	-	612,477	1H 22
⑦ New Kowloon Inland Lot No. 6562, Kai Tak [#]	R	100%	740	-	397,967	2H 22
⑧ 73 Caine Road, Mid-Levels	C/R	100%	187	8,228	55,782	1H 22
⑨ 30-44 Gillies Avenue South/75-77 Baker Street, Hung Hom	C/R	100%	330	19,763	98,812	1H 23
⑩ 25-29 Kok Cheung Street, Mong Kok	C/R	100%	616	39,635	202,148	1H 23
⑪ New Kowloon Inland Lot No. 6574, Kai Tak [#]	R	29.3%	1,207	-	168,362	2023
			Total	6,971	95,987	2,387,888
					Total GFA attributable to HLD for sale	
					2,387,888	

- Together with unsold stocks from residential and commercial-cum-residential projects, a total of **around 8,100** (3,900 in previous year) **residential units** or **3.19mn sq.ft.** (1.46mn sq.ft. in previous year) in **attributable area** and, separately, around 240,000 sq. ft. of industrial/office properties would be available for sale in 2021

*C = Commercial; R = Residential.

[#] Pending the issue of pre-sale consent except for Ph.1 of NKIL No. 6565, Kai Tak which has received pre-sale consent

■ in New Territories ■ in Kowloon ■ on Hong Kong Island

Property Development (cont'd)



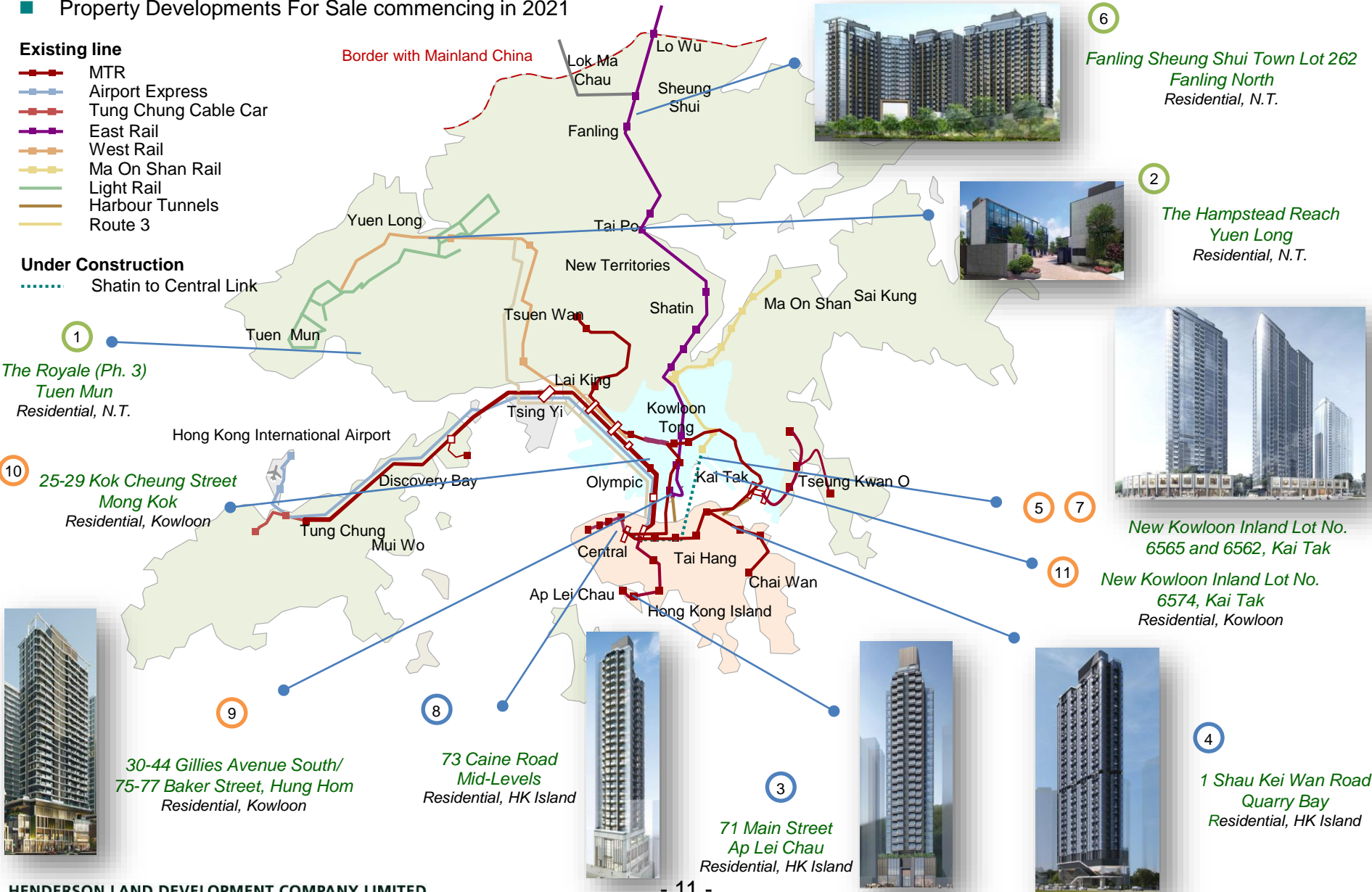
Property Developments For Sale commencing in 2021

Existing line

- MTR
- Airport Express
- Tung Chung Cable Car
- East Rail
- West Rail
- Ma On Shan Rail
- Light Rail
- Harbour Tunnels
- Route 3

Under Construction

- Shatin to Central Link



Property Development (cont'd)



- Property developments & Investment Property under development in Hong Kong
Large land bank in urban area of Hong Kong will generate many developments for sale/ pre-sale together as well as certain investment properties to be completed in the coming years *(Note 1)*

Attributable Gross Floor Area (GFA)/ Saleable Area (mn sq. ft.)	Investment Property	2021	2022 – 23	2023 or onwards	Total
Launched developments remaining inventories <i>(Note 2) – P.8</i>	–	0.80	–	–	0.80
New projects for sale/ pre-sale in 2021 <i>(Note 2) – P.10</i>	–	2.39	–	–	2.39
Yau Tong Bay Project and Lugard Road Project <i>(Note 3) – P.37</i> (attributable GFA: 0.91mn sq.ft.)	–	–	–	0.92	0.92
Newly-acquired urban redevelopment projects with <u>100% ownership</u> <i>(Note 3) – P.14</i>	–	–	2.24	–	2.24
Newly-acquired urban redevelopment projects with <u>80% or above ownership</u> <i>(Note 3) – P.14</i>	–	–	–	1.42	1.42
Kai Tak New Kowloon Inland Lot No. 6576, 6552, 6554 and Sham Shui Po project <i>(Note 3) – P.16</i>	–	–	0.82	–	0.82
Murray Road Commercial Project <i>(Note 3) – P.16</i>	0.47	–	–	–	0.47
Kwu Tung North NDA Project – P.18	–	–	–	0.31	0.31
Sub-total	0.47	3.19	3.06	2.65	Approx. 9.37
Newly-acquired urban redevelopment projects with over 20% but less than 80% ownership which are subject to acquisition of full ownerships – P.14	–	–	Saleable resources Average @ 1.53 p.a.	–	0.64
3 land plots in Fanling North NDA which are subject to finalisation of land premium – P.18	–	–	–	–	3.5
Others (Incl. land plot in San Tin of 0.4 mn sq.ft.)	–	–	–	–	0.9
Development Land Bank - Total					Approx. 14.4

Notes: 1. This sale/ pre-sale schedule is subject to change in response to changes in construction plan, regulatory and market developments.

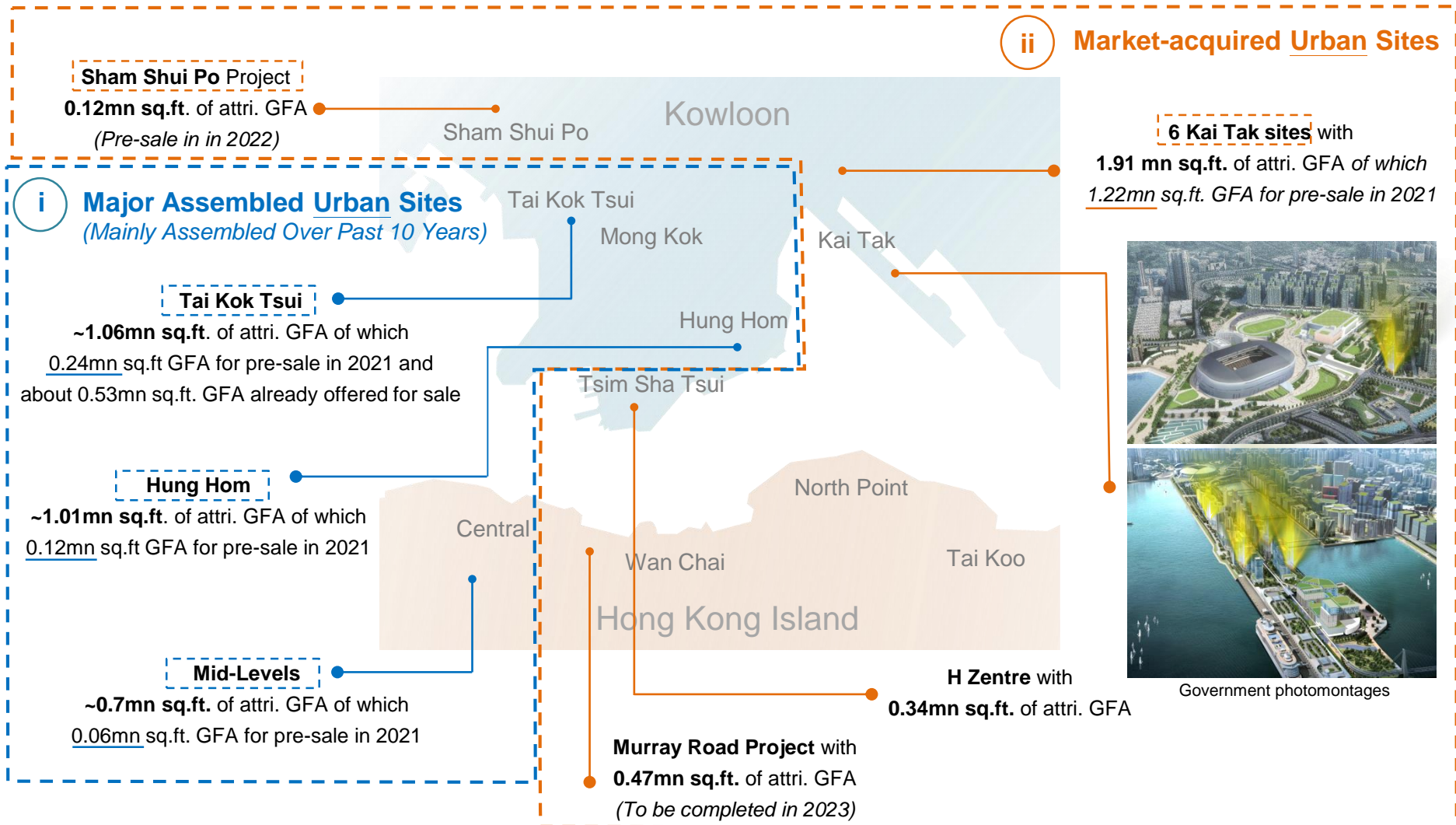
End of 2019: <14.6>

2. For those launched projects, the area of their residential portions is calculated on saleable basis.

3. The GFA figures are calculated based on the Buildings Department's approved plans or the Government's latest city planning parameters and the Group's development plans. For certain projects, it may be subject to change depending on the actual needs in future.



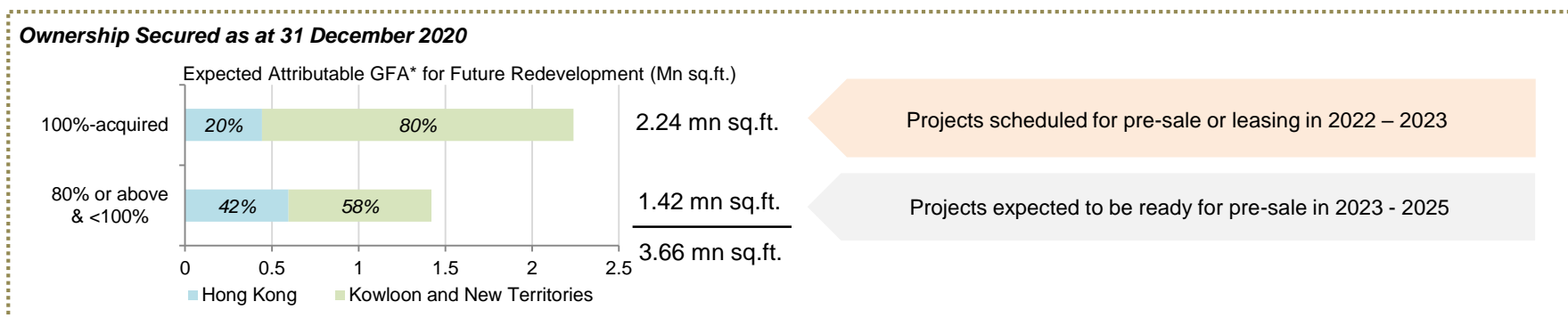
i Major Assembled Urban Sites + ii Public Tender / Market-acquired Urban Sites





i Assembly Sites Transform To Large Development in Urban Area

- As at 31 Dec 2020, the Group had 23 projects with at least 80% ownership acquired and expected total attri. GFA of 3.66mn sq.ft.*



Estimated acquisition costs for the old residential buildings (expected total attri. GFA: 3.66 mn sq. ft. *) with entire or over 80% ownership acquired: HK\$33.2 billion or HK\$9,000 per sq. ft. on GFA basis

For illustration: As for construction cost, this amounts to HK\$4,400 per sq.ft. in GFA terms on average. Therefore, “hard costs” amount to HK\$13,400 per sq.ft. in GFA terms. Taking the saleable sq.ft. to GFA ratio at 85%, estimated average “hard costs” amount to approximately HK\$15,760 psf in saleable area terms. Inclusive of estimated interest cost and other associated costs of about HK\$1,800 psf in saleable area terms, estimated average total development costs amount to approximately HK\$17,560 psf in saleable area terms.

<< Reference of recent sales: HK\$[25,000] psf for Arbour, Tsim Sha Tsui, Kowloon ; HK\$[24,500] psf for Aquila-Square Mile, Mong Kok, Kowloon>> (in saleable floor area) << HK\$[28,800] psf for Two-Artlane, Sai Ying Pun, Hong Kong; HK\$[32,400] psf for Richmond, Mid-levels, Hong Kong>>

- Additionally, the acquisition of another 28 projects with ownership over 20% but less than 80% is underway with a total estimated attributable GFA* presently of about 0.64 mn sq.ft. (based on the respective ownership currently secured by the Group) or about 1.71 mn sq. ft. upon completion of redevelopment (if all the ownerships are successfully secured by the Group).

(Note: Such acquisitions bear uncertainty and the Group may not be able to consolidate all their ownerships.)

* The gross floor area (GFA) figures are calculated based on the Building Department's approved plans or Government's latest city planning parameters, and the Group's development plans.



i Assembly Sites Transform To Large Development in Urban Area

Note: * Aerial photos are not up-to-date and for illustration purpose only
^ Projects located at Man On Street are not shown in the aerial photo



Aquila-Square Mile
Under Construction
(Over 40%^ pre-sold)



Cetus-Square Mile
Completed in 2019
(Over 80%^ sold)



Eltanin-Square Mile
Completed in 2017
(All units sold)



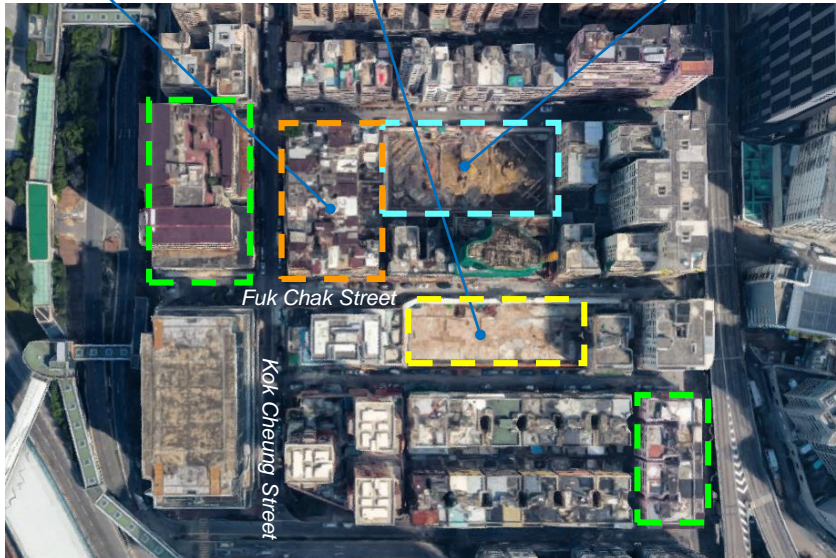
Hung Hom
Under Construction



**30-44 Gillies Avenue South/
75-77 Baker Street**; Under Construction
(Pre-sale in 2021)

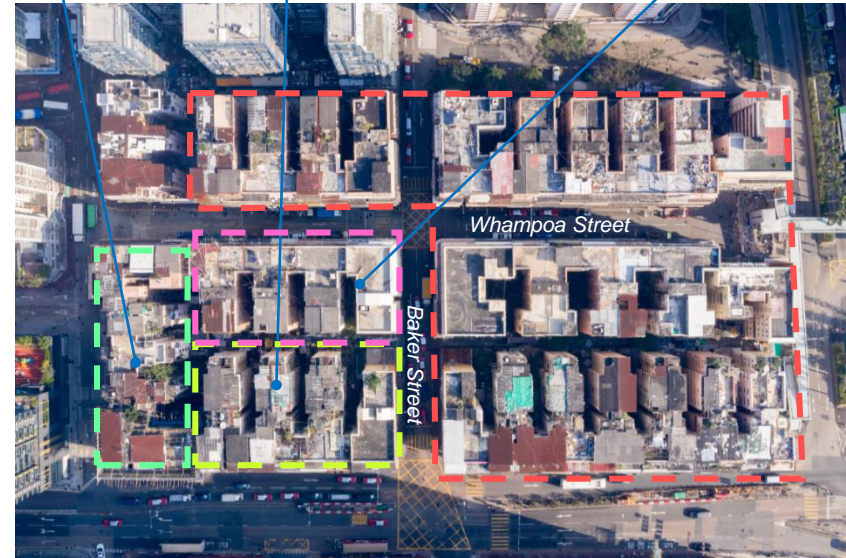


Hung Hom
Under Construction



Tai Kok Tsui Cluster*, <"Square Mile"> ~1mn sq.ft.^ of attri. GFA of which **0.52mn sq.ft.#** not yet launched for sale/pre-sale

Avg. Land Cost about **\$7,400 psf** GFA; Recent Comparable Sales @ **[\$24,000] psf** SFA



Hung Hom Cluster* over **1mn sq.ft.#** of attri. GFA with sale/pre-sale launch commencing 2H 21

Avg. Land Cost about **\$7,300 psf** GFA; Near-term at around T.K.T. sale price

Notes ^: data as of mid-March 2021; #: By taking out those projects in the sales pipeline in 2021, the development GFA in the Tai Kok Tsui Cluster and Hung Hom Cluster become 0.29mn sq.ft. and 0.89mn sq.ft. respectively



ii Urban Land Bank from Public Tender / Market Acquisition

Acquisitions in recent years

	Acquired	Usage	Interest (%)	Est. attri. GFA	Consideration attri. to HLD (amount per sq. ft. of HLD entitled GFA)
Kai Tak NKIL No. 6554, 4A-2 (acquired via Gov. Public Tender)	2H 2019	R/C	30%	361,515 sq. ft.	HK\$4,786mn (Approx. HK\$13,239 psf)
Kai Tak NKIL No. 6552, 4C-2 (acquired via Gov. Public Tender)	1H 2019	R/C	18%	115,411 sq. ft.	HK\$2,266mn (Approx. HK\$19,634 psf)
Kai Tak NKIL No. 6576, 4B-1 (acquired via Gov. Public Tender)	1H 2019	R	30%	216,618 sq. ft.	HK\$2,968mn (Approx. HK\$13,702 psf)
Kai Tak NKIL No. 6574, 4B-3 (acquired via Gov. Public Tender)	2H 2018	R	29.3%	168,362 sq. ft.	HK\$2,442mn (Approx. HK\$14,504 psf)
Sham Shui Po Project at Castle Peak Road / Un Chau Street, Kowloon (acquired via URA Public Tender)	2H 2018	R/C*	100%	124,000 sq. ft.*	HK\$1,368mn (Approx. HK\$12,400 [#] psf)
Two Kai Tak Kowloon sites acquired from HNA NKIL No. 6565 and NKIL No. 6562	1H 2018	R/C	100%	1,052,569 sq. ft.	HK\$15,958mn (Approx. HK\$15,161 psf)

Urban Residential Development Sites Acquired from Public Tender/Market since 2018: 2.04 mn sq. ft.

Murray Road Project, Central (acquired via Gov. Public Tender)	1H 2017	C	100%	465,000 sq. ft. [^]	HK\$23,280mn (Approx. HK\$50,065 psf)
H Zentre, Tsim Sha Tsui (acquired via Gov. Public Tender)	2H 2014	C	100%	339,711 sq. ft.	HK\$4,688mn (Approx. HK\$13,800 psf)

Urban Commercial Sites Acquired from Public Tender/Market in 2014 and 2017: 0.80 mn sq. ft.

Presale being launched in 2021

NKIL: New Kowloon Inland Lot

* The Group is only entitled to the residential portion of this project

[#] After inclusion of the estimated construction cost contribution at HK\$5,000 per sq.ft. to the project retail portion and certain property units to be handed over to URA upon completion

[^] Including a public car park which provides 102 car parking spaces and 69 motorcycle parking spaces



iii

Land Plot Holdings in New Territories Transforms To Larger Suburban Developments

Include substantial land holdings in
New Development Areas (“NDAs”)

Wo Shang Wai Land Lots

(2.42mn sq.ft. of total site area,
0.89mn sq.ft. of attri. GFA)
<Transaction Completed in Jul 2020>

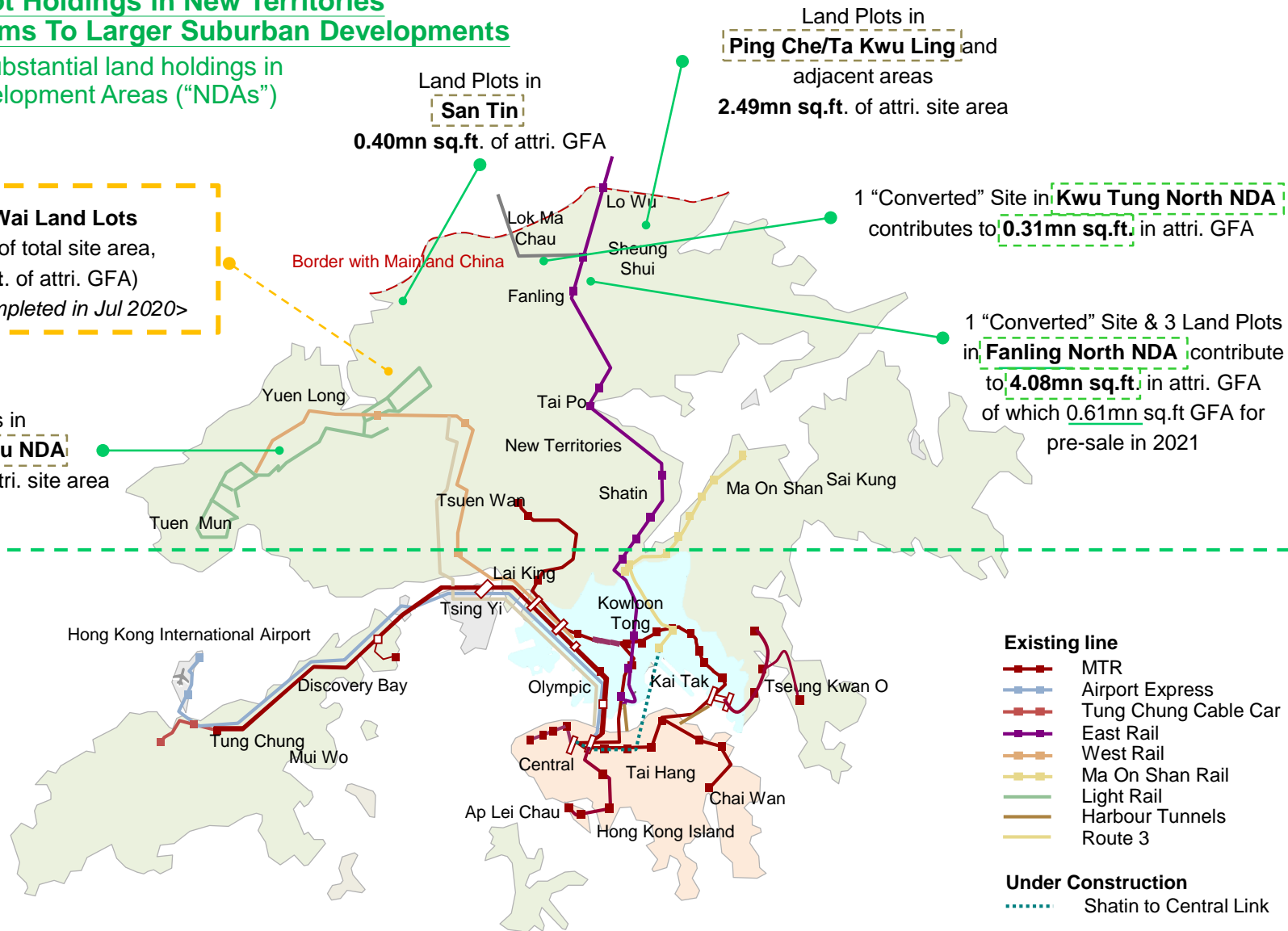
Land Plots in
Ping Che/Ta Kwu Ling and
adjacent areas
2.49mn sq.ft. of attri. site area

Land Plots in
San Tin
0.40mn sq.ft. of attri. GFA

1 “Converted” Site in **Kwu Tung North NDA**
contributes to **0.31mn sq.ft.** in attri. GFA

1 “Converted” Site & 3 Land Plots
in **Fanling North NDA** contribute
to **4.08mn sq.ft.** in attri. GFA
of which **0.61mn sq.ft GFA** for
pre-sale in 2021

Land Plots in
Hung Shui Kiu NDA
6.40mn sq.ft. of attri. site area





iii Land Plots in New Territories evolving to become “New Urban Centres”

- At 31 Dec 2020, land plot holdings in New Territories amounted to approx. **44.4 mn sq. ft.** (end of 2019: approx. 44.9 mn sq. ft.) in site area, the largest holding in Hong Kong
- Total land area of about 0.6mn sq.ft. in Hung Shui Kiu New Development Area (NDA) and Kwu Tung South were resumed by Government in 2020 for public use by payment of cash compensation for an aggregate amount of about HK\$422mn, being calculated at HK\$1,348.8 per sq.ft. for NDA sites and HK\$562 per sq.ft. for Zone C agricultural land sites respectively
- North East New Territories NDAs comprising of **Fanling North (FLN) NDA & Kwu Tung North (KTN) NDA**, both forming as new urban centres in the New Territories with target population of 119,600 and 74,100 respectively; First population intake expected in 2023/2024
- ✓ The Group has approx. 1.38 mn sq. ft. of land plot area in the FLN NDA and KTN NDA

FLN NDA and KTN NDA – HLD's land plot holdings (mn sq.ft.)	From Acquisition	Land Exchange/ Govt. Resumption	Remaining
<ul style="list-style-type: none"> Land area eligible for applications for in-situ land exchange 	Approx. 0.9 (5 land plots)	(0.24) (Land Exchange - 2 plots)	Approx. 0.6 (Remaining - 3 plots)
<ul style="list-style-type: none"> Land area attri. to HLD available for Government resumption with cash compensation 	Approx. 2.0	(1.26)* Government Resumption	Approx. 0.8
Total:	Approx. 2.9		Approx. 1.38

Note*: A total land area of 1.26mn sq.ft. in the two NDAs, representing over 40% of the land holdings acquired, were resumed by Government in 2019 for public use, with cash compensation of HK\$1,751mn, averaging @ HK\$1,389.6 per sq. ft. for NDA sites

- ✓ Planned development area of above 4 million sq. ft. attributable to HLD in the two NDAs

	Site Area (sq. ft.)	Estimated attri. GFA for Development (sq. ft.)	
KTN NDA Phase 1	(i) 56,510 in Kwu Tung North	305,496	Land Premium @ ~HK\$3,600 per sq.ft. of GFA
FLN NDA Phase 1	(ii) 174,235 in Fanling North	612,477	Land Premium @ ~HK\$4,100 per sq.ft. of GFA
<Land Exchange Completed in 2017>		Total GFA of over 4mn sq.ft. will be developed in FLN NDA	
Other Phases (3 land plots) <Added Area 0.1mn sq.ft.>	709,000 in Fanling North	3,470,000	In-situ land exchange application made to the Government
Total:	~939,745	~4,387,973	Planned for development

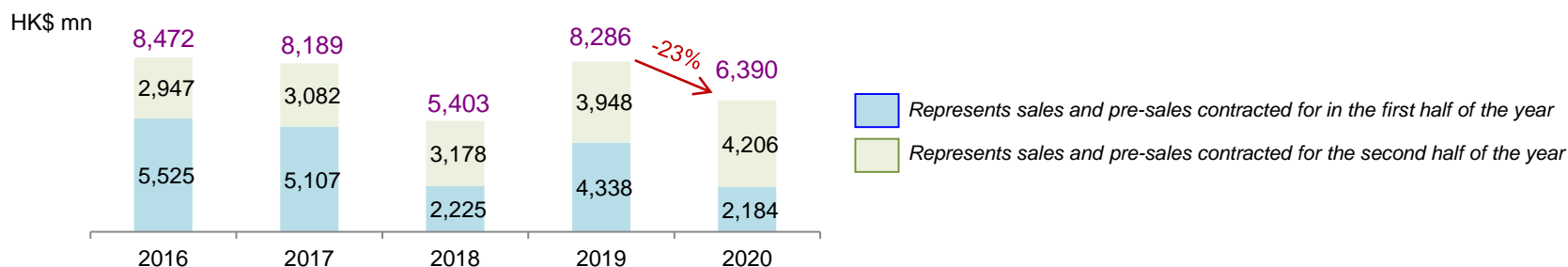


■ Property Development in Mainland China

- Ongoing phases of 8 residential projects (including some with commercial components) were completed in FY2020 with total attributable GFA of approx. 5.32mn sq. ft. (FY2019: 2.38 mn sq.ft.)
- Residential projects (including some with commercial components) with debut launch or new phase launched for sale/ pre-sale and other projects with significant sales / pre-sales in 2020

City	Project name and location	HLD's interest
Beijing	Lakeside Mansion (祥雲賦)	24.5%
Changsha	Phase 3 & 4, The Landscape (湖山賦)	50%
Chengdu	Jiayang Development (都會森林)	50%
Guangzhou	Central Manor (建發九龍倉央璽)	18%
Hefei	Xuheng Huayuan (旭恒花園)	50%
Shanghai	Nanhui New Town Project (綠地泊景雅園)	16%
Suzhou	Xukou Project (弘庭)	50%
Suzhou	Phase 1 - T4, Suzhou Riverside Park (水漾花城)	70%
Suzhou	Phase 1, Wujiang Economic Development Zone Development (溪里雅苑)	50%
Xian	Phase 1R1, La Botanica (御錦城)	50%

Properties Sales & Pre-sales contracted for in Mainland China



All figures represent the Group's attributable share of contracted sales from development projects in Mainland China developed by its subsidiaries, associates and joint ventures

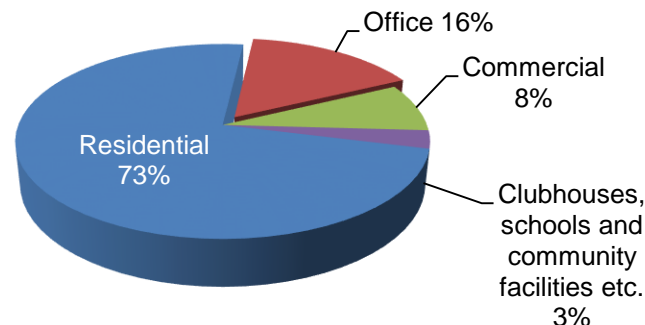
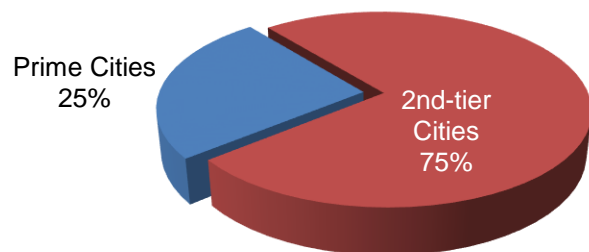


■ Property Development in Mainland China

- Residential projects (including some with commercial components) with debut launch or new phase launched for sale/ pre-sale and other projects with significant sales / pre-sales in 2021

City	Project name and location	HLD's interest
Beijing	Sunhe Development (孫河F1地塊)	50%
Changsha	The Landscape (湖山賦)	50%
Chengdu	Phase 1 & 2, Xindu Development (江與山府)	50%
Guangzhou	Panyu Development (奧園大學城項目)	50%
Nanjing	Phase 3, Emerald Valley (玲瓏翠谷)	50%
Suzhou	Phase 2 - T3, Suzhou Riverside Park (水漾花城)	70%
Suzhou	Phase 2, Wujiang Economic Development Zone Development (溪里雅苑)	50%
Xian	Phase 3-R5, La Botanica (御錦城)	50%
Xiamen	Phase 1, Huli Development (鉑悅五緣灣上庭)	50%
Xuzhou	Phase 4C, Grand Paradise (恒基·雍景新城)	100%
Yixing	Phase F2B, Grand Lakeview (譽瓏湖濱)	50%

■ Development Land Bank with total attributable GFA of about 30.10mn sq.ft. (end of 2019: 31.86mn sq.ft.)



Rental Income from Investment Properties

■ Investment Property Portfolio and Completion Pipeline:

	As at 31 Dec 2020	FY2021 (Estimated)	FY2023 (Estimated)
Hong Kong	9.5mn sq.ft.	Est. 9.5mn sq.ft.	Est. 10.0mn
			• Murray Road Project < +0.47mn sq.ft. >
Mainland China	7.9mn sq.ft.	Est. 11.7mn sq.ft.	Est. 11.7mn
		• Lumina Shanghai Ph.1 and Ph.2 • Lumina Guangzhou Shopping Podium < +3.76mn sq.ft. >	

Note: all the above figures exclude car parking spaces and basement retail area

Leasing Business	Gross Rental Income*		Change		Net Rental Income*		Change	
	FY2020	FY2019	RMB	HKD	FY2020	FY2019	RMB	HKD
(HK\$ mn)								
Hong Kong	6,774	7,314		-7%	5,000	5,601		-11%
Mainland China	1,829	1,849	+1%	-1%#	1,467	1,464	+2%	Flat#
Total	8,603	9,163		-6%	6,467	7,065		-8%

The mild decrease in Gross Rental Income and the flat performance in Net Rental Income in HK\$ terms is partly due to the 2% year-on-year depreciation of RMB against HKD (based on the average RMB/HKD exchange rate of FY2020 vs. FY2019) which offsets the increase in Gross Rental Income and Net Rental Income in RMB terms.

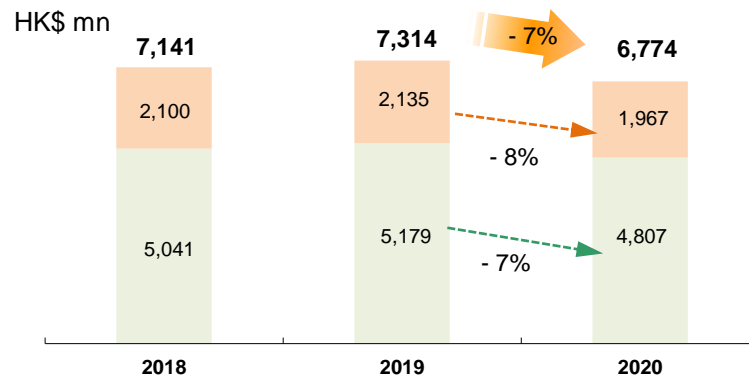
*All the above figures represent the Group's attributable share of contributions (for Net Rental Income, before taxation) from investment properties held by subsidiaries, associates and joint ventures.



Rental Income from Investment Properties in Hong Kong

- Average leasing rate for the Group's major rental properties in Hong Kong as at 31 December 2020: 94% (end of 2019: 97%)
- At 31 December 2020, the Group had an attributable no. of approx. 8,500 car parking bays providing additional rental income

Gross Rental Income: Hong Kong



ifc (40.77% owned)

Represents the Group's attri. share of contribution from the ifc project[^] (excl. the hotel portion)

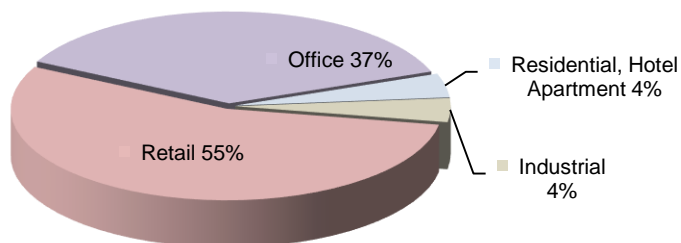


Represents the Group's attri. share of contributions from investment properties held by subsidiaries, associates and joint ventures, excluding the ifc project

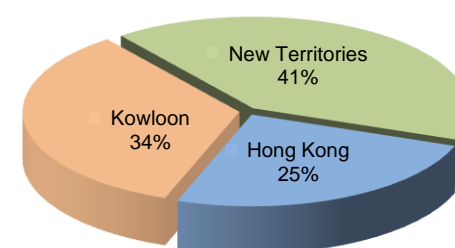
[^] HLD owns an attributable interest of 40.77% in ifc project (FY2019: 40.77%)

- Completed Investment Property Portfolio in HK amounted to **9.5 mn sq. ft.** of attri GFA, inclusive of attributable share from ifc project as of 31 Dec 2020 (end of 2019: 9.4mn sq.ft.)

Distribution by Usage



Distribution by Geographical Area





New Investment Properties and Pipeline in Hong Kong

Investment Properties Pipeline	Attributable GFA (sq.ft.)	Completion Status
"H Zentre" , Tsim Sha Tsui 20-level Commercial & Medical Hub (100% owned) 	Total: approx. 340,000 sq.ft. <i>of which</i> Commercial & Medical: approx. 236,000 sq.ft.	<u>Completed</u> * \$[50-55] psf GFA/mth (Non-retail)
"Harbour East" , North Point 22-storey Grade-A office building (100% owned) 	Total: approx. 144,000 sq.ft. <i>of which</i> Office: approx. 130,000 sq. ft. Retail: approx. 14,000 sq.ft.	<u>Completed</u> * \$[40-45] psf GFA/mth (Office)
"208 Johnston" , Wanchai 25-storey Office Redevelopment Project (100% owned) 	Total: approx. 64,920 sq.ft. <i>of which</i> Office: approx. 38,000 sq. ft. Retail / F&B: approx. 26,700 sq.ft.	<u>Completed</u> * \$[35-40] psf GFA/mth (Office)
Murray Road Project , Central 34-storey iconic Grade-A office tower (100% owned) 	Total: approx. 465,000 sq.ft.	2023



Satisfactory Rental Income from Investment Properties in Mainland China

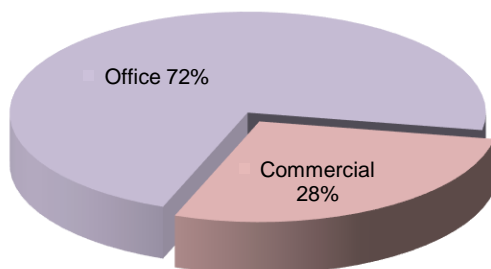
- Satisfactory performance of key investment properties on the Mainland

Property	Leasing Rate as at 31 Dec 2020	Gross Rental Income For FY2020	y-o-y Change		Recent Rent Rate (psm)
			RMB	HKD#	
World Financial Centre, Beijing	~ 96% (Office)	HK\$ 851 mn	Flat	- 1%	RMB[340-400]/mth (office)
Henderson Metropolitan, Shanghai	~ 98% (Office) ~ 94% (Retail)	HK\$ 244 mn	- 3%	- 5%	RMB[8-9]/day (office) RMB[18-36]/day (Retail)

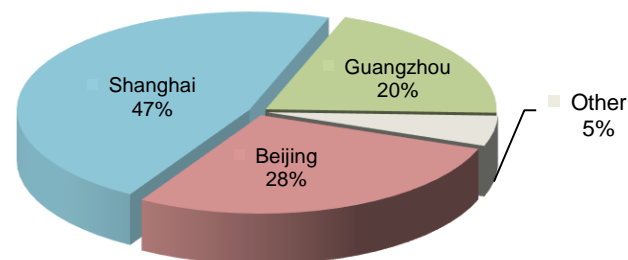
The larger percentage decrease in Gross Rental Income in HK\$ terms is partly due to the 2% year-on-year depreciation of RMB against HKD (based on the average RMB/HKD exchange rate of FY2020 vs. FY2019)

- Completed Investment Property Portfolio in Mainland China amounted to **7.9 mn sq. ft.** of attri GFA as of 31 Dec 2020 (end of 2019: 6.4mn sq.ft.)

Distribution by Usage



Distribution by Geographical Area





New Investment Properties and Pipeline in Mainland China

Investment Properties Pipeline	Attributable GFA (sq.ft.)	Completion Status
“Lumina Shanghai” Phase 1 , Xuhui Riverside 61-storey iconic Grade-A office tower <i>(100% owned)</i> Under Pre-leasing	Total: approx. 2,000,000 sq.ft. <i>of which</i> Office: approx. 1,790,000 sq. ft. Retail: approx. 210,000 sq.ft.	Q2 2021 * RMB[5-6] psm GFA/day (Office)
“Lumina Shanghai” Phase 2 , Xuhui Riverside Office and Retail <i>(100% owned)</i>	Total : approx. 964,000 sq.ft. <i>of which</i> Office: approx. 868,000 sq. ft. Retail: approx. 96,000 sq.ft.	2H 2021
“Lumina Guangzhou” , Yuexiu District twins Grade-A office towers and a shopping podium <i>(100% owned)</i> Leasing in Progress	Total : approx. 2,000,000 sq.ft. <i>of which</i> <u>Phase 1</u> Office: approx. 970,000 sq. ft. Retail: approx. 800,000 sq.ft. <u>Remaining Phases</u> Retail: Approx.400,000 sq.ft.	<u>Phase 1</u> Completed (Office) Q2 2021 (Retail) * RMB[140-160]psm GFA/mth (Office) * RMB[250-300]psm GFA/mth (Retail)
“Hengxu Hui” , Huaihai Middle Road, Shanghai Office and Retail <i>(50% owned)</i> Leasing in Progress	Total: approx. 181,197 sq.ft. <i>of which</i> Office: approx. 128,177 sq. ft. Retail: approx. 53,020 sq.ft.	<u>Completed</u> * RMB[7.5-8.5] psm GFA/day (Office)

Hong Kong & China Gas (“HKCG”) 41.53% owned



- HKCG’s audited profit after taxation attributable to shareholders for FY2020: HK\$ 6,484 mn* (exclusive of HKCG’s share of revaluation loss from ifc complex), down 4% y-o-y
- Dividend declared for FY2020 attributable to HLD: HK\$ 2,583 mn, up 5% y-o-y
- Total volume of gas sales in Hong Kong for FY2020 decreased by 2.7% to approximately 27,947 mn MJ
- Sole supplier of piped gas in Hong Kong with 1.94 mn customers (End of 2019: 1.93 mn)
- Large-scale city-gas enterprise in Mainland China with around 31.81 mn customers (End of 2019: 29.78 mn)
 - Largest controlling shareholder of Towngas China Company Limited (“Towngas China”, stock code: 1083), with a 68.21% interest as of 31 December 2020. Towngas China’s profit after taxation attributable to its shareholders for FY2020 amounted to HK\$ 1,447 mn, up 11% over FY2019
 - Inclusive of Towngas China’s projects, HKCG had 282 city-gas projects on the mainland and the total volume of gas sales for these projects in 2020 up by 5% to approximately 26,900 mn cubic metres
 - Towngas China will acquire a 25% equity interest in Shanghai Gas Co.,Ltd after the latter’s increase of registered capital in 2021 as planned, thereby increasing HKCG’s gas customers to 40mn in Mainland China

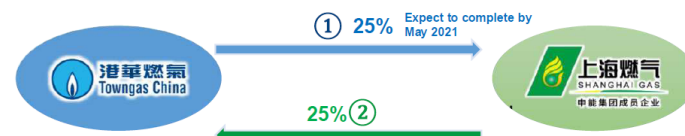
HKCG At A Glance (as of 31 Dec 2020)

- ☑ Total Issued Shares: 17,771 mn shares
- ☑ Market Capitalization: HK\$ 205,788 mn
- ☑ Shareholders’ Equity: HK\$ 66,759 mn
- ☑ 41.53% owned by Henderson Land – single largest shareholder

(Closing market price of HK\$ 11.58 per share as of 31 Dec 2020)

* Inclusive of HKCG’s share of revaluation loss from the International Finance Centre (“ifc”) complex, profit after taxation attributable to shareholders amounted to HK\$6,007 mn

Strategic cooperation with Shanghai Gas

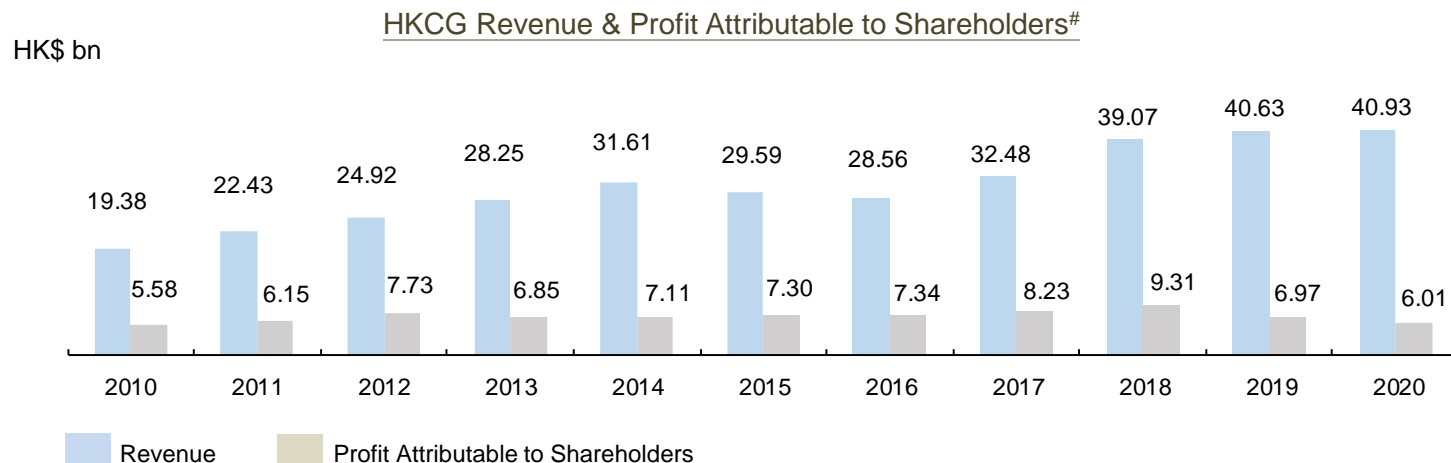
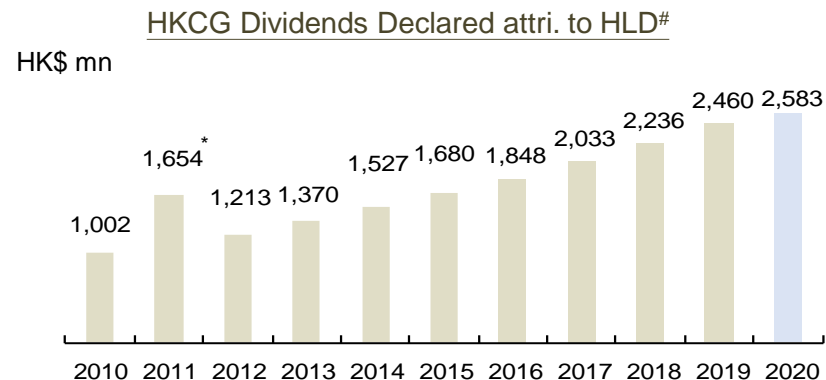
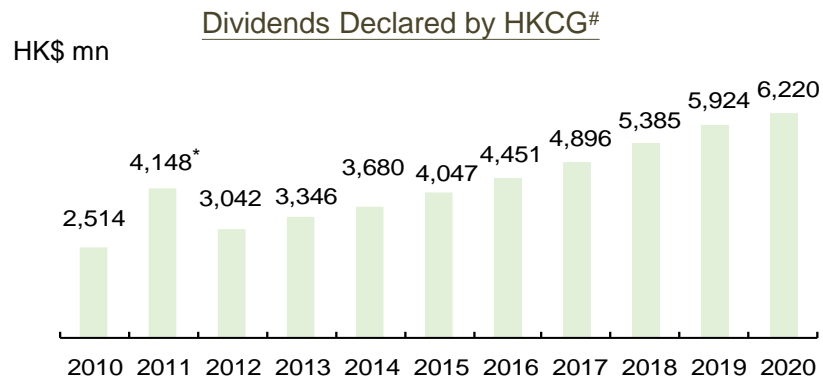


2020

- Gas sales volume: 8.9 Bn m³
- Customers: 6.4 Mn
- LNG import volume: 4.3 Mn tonnes (~ 6 Bn m³)
- Estimated profit RMB 850 Mn (> 30% growth)
- Expect double digit growth in sales volume & profit in 2021

<Extract from HKCG 2020 Annual Results Presentation>

Hong Kong & China Gas (“HKCG”) (cont’d) 41.53% owned



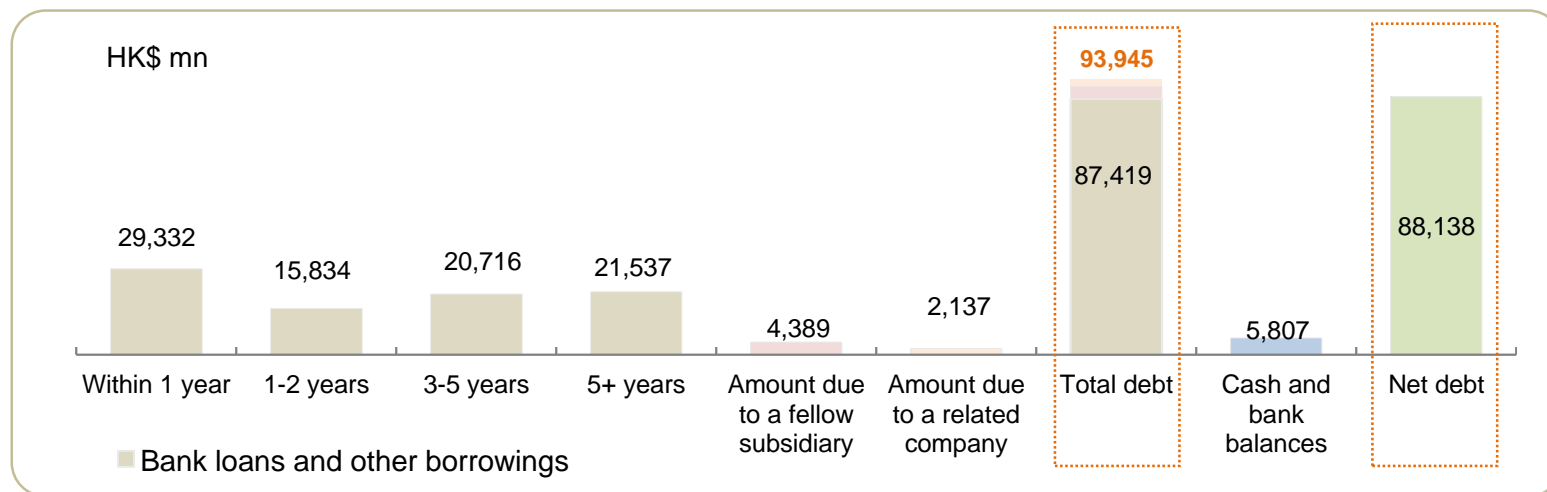
#Data for the years ended 31 December for full financial year results

* Including approximately HK\$1,383 mn of special dividend declared in March 2012 for celebrating HKCG's 150th Anniversary in 2012, of which ~HK\$551 mn was attributable to HLD.

Strong Financial Position



- **HK\$16.0 bn** green loan and undertaking facilities has been secured from financial community since 2020
- Financial Gearing Ratio[^] maintained at healthy level of **26.9%** as at 31 Dec 2020 (*end of 2019: 25.5%*)
 - Abundant banking facilities and funding in place well cover the Group's attributable share of capital commitments already contracted for that amounted to ~ HK\$18.7 bn at 31 Dec 2020
 - [^] refers to net debt to shareholders' equity ratio
- Interest Cover* of **8 times** for FY2020 (*FY2019: 7 times*)
- HK\$ denominated Effective Borrowing Rate[#] at approx. **2.10%** p.a. (*FY2019: approx. 2.66% p.a.*)
- Debt Maturity Profile as at 31 Dec 2020
 - Weighted Average Debt Maturity of **3.40 Years** as at 31 Dec 2020 (*end of 2019: 3.35 Years*)



* Based on profit from operations (incl. bank interest income and the cumulative fair value change (net of tax) of investment properties disposed of during the year, but before changes in fair value of IPs and IPs under development for the year) plus share of underlying profits of associates and JVs and divided by interest expense (before interest capitalisation)

Being the effective borrowing rate of bank loans and other borrowings (including banks loans and guaranteed notes raised in foreign currencies but swapped into HK\$)

- With the Group's ample financial resources and astute management of the following three major businesses by its experienced professional team, the Group is well-placed to tackle the challenges ahead and make further contributions to the economy, society and environment as set out in the Sustainability Strategy

Property Sales

- ✓ In addition to 2 projects in HK already launched since 1 Jan 2021, 9 more projects for pre-sale/sale launch in Hong Kong in 2021
- ✓ Together with the unsold stocks, a total of about 8,100 residential units and 240,000 sq. ft. of quality industrial/office space in HK will be available for pre-sale/sale in 2021
- ✓ Continue to look for investment opportunities in the first tier cities, as well as major second tier cities in mainland China, whilst co-operation with local property developers will also be strengthened

Property Leasing

- ✓ 3.0mn sq.ft. "Lumina Shanghai" at Xu Hui Riverside Area and 0.8mn sq.ft. "Lumina Guangzhou" retail podium complex in Mainland China are scheduled for completion in 2021. The Group's rental portfolio will comprise an attributable GFA of 9.5 mn sq.ft. in HK and 11.7 mn sq. ft. in Mainland China by the end of 2021
- ✓ Murray Road Project in HK will grow the Group's rental portfolio with a more optimal composition

Associates

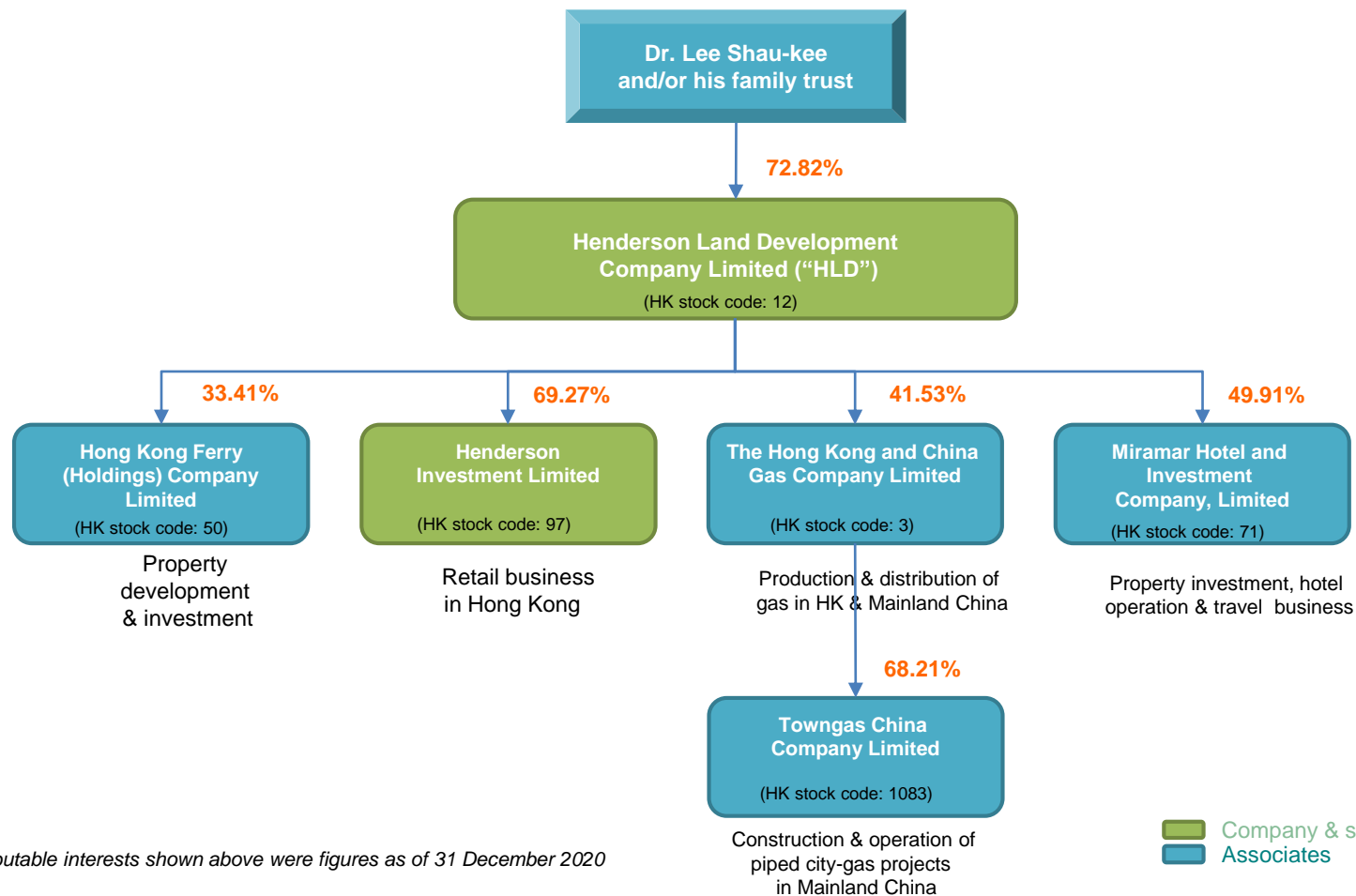
- ✓ The Group's three listed associates, namely HKCG, Miramar Hotel and Investment Company, Limited and Hong Kong Ferry (Holdings) Company Limited serve as another steady recurrent income stream to the Group
- ✓ For HKCG, its portfolio has 436 projects(inclusive of city-gas projects) on the mainland as at the end of 2020. With a total of over 33mn piped-gas customers in Hong Kong and Mainland China as well as its development of various extended businesses, it is poised to provide satisfactory returns to the Group

	Pages
Annex 1: Group Structure & Business Model	31 – 32
Annex 2: Operations in Hong Kong	
2.1: Property Development in Hong Kong	33 – 37
2.1.1 : Inventories from major launched projects for sale	
2.1.2 : Newly-acquired urban redevelopment projects with 80% or above ownership secured	
2.1.3 : Summary of all development land resources	
2.1.4 : Existing urban redevelopment projects	
Annex 3: Operations in Mainland China	
3.1: Development Land-bank in Mainland China	38
3.2: Completion Schedule	39 – 40
3.2.1 : Projects completed in 2020	
3.2.2 : Completion schedule for 2021	
3.3: Rental Portfolio in Mainland China	41
Annex 4: ESG 2020 Highlights	42 - 45

Annex 1.1: Group Structure



- Dr. Lee Shau-kee and/ or his family trust owned an equity interest of about 72.82% in Henderson Land as of 31 December 2020 (31 December 2019: 72.82%)



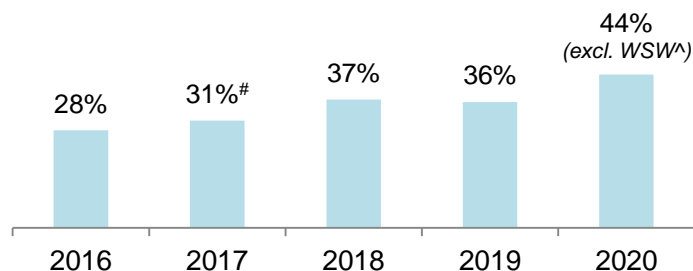
All attributable interests shown above were figures as of 31 December 2020

■ Company & subsidiary
■ Associates

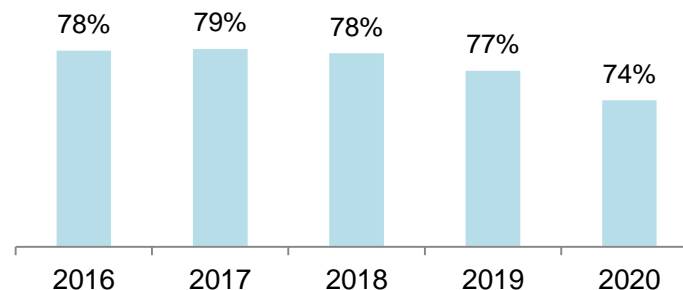
Annex 1.2: Operating Margin



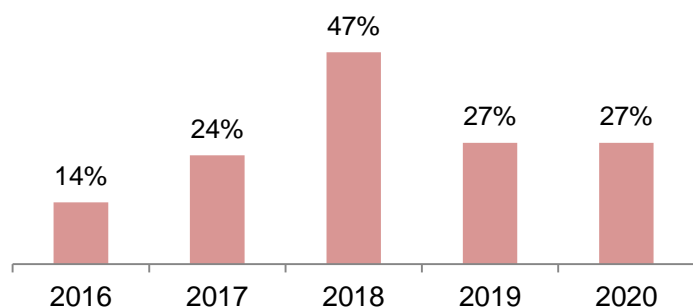
Hong Kong
Property Development Operating Margin*



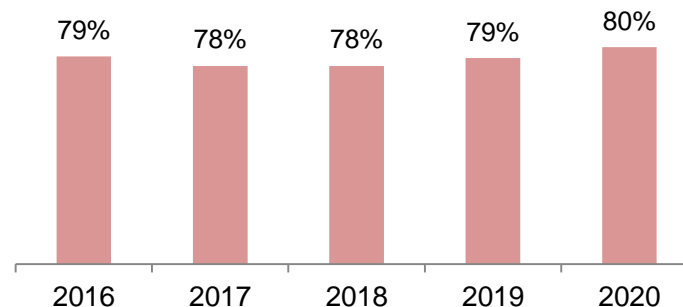
Hong Kong
Property Leasing Operating Margin*



Mainland China
Property Development Operating Margin*



Mainland China
Property Leasing Operating Margin*



*Operating Margin represents the Group's attributable share of contributions before unallocated head office and corporate expenses, finance costs and taxation from its subsidiaries, associates and joint ventures in Hong Kong and Mainland China and divided by corresponding Group's attributable share of combined revenue

Figure was restated under the adoption of accounting standards, being HKFRS 9 and HKFRS 15, effective on 1 Jan 2018. In particular under HKFRS 15, the revenue from the sale of completed properties held for sale and gain on disposal of investment properties during the year is recognized on the basis that control over the ownership of the property has been passed to the buyer during the year.

^ By taking into account also the transfer of equity interest in the company holding interests in certain land lots in Wo Shang Wai, N.T. ("WSW"), the HK property development operating margin in FY2020 becomes 55%. The major contributors of the Group's attributable share of gross revenue and pre-tax profits from property sales in Hong Kong in FY2020 were WSW, "NOVUM WEST", "Cetus Square Mile" and "Reach Summit".

Annex 2.1.1:

Inventories from major launched projects for sale



		Usage*	HLD interest	Attri. C* area for rental	No. of unsold units as at 31 Dec 2020	Saleable area attri. to HLD (sq. ft.)
1	Eden Manor – 88 Castle Peak Road, Kwu Tung	R	100%	-	241	276,655
2	Aquila-Square Mile, 38 Fuk Chak Street, Mong Kok	C/R	100%	30,081	319	88,080
3	Double Cove (Phases 1 - 5) – 8 Wu Kai Sha Road, Ma On Shan	C/R	59%	63,087	33	38,919
4	Cetus-Square Mile, 18 Ka Shin Street, Mong Kok	C/R	100%	22,748	95	26,661
5	Two-Artlane, 1 Chung Ching Street, Sai Ying Pun	C/R	100%	10,938	99	24,777
6	Wellesley – 23 Robinson Road, Mid-Levels West	R	50%#	-	28	23,602
7	Arbour, 2 Tak Shing Street, Tsim Sha Tsui	C/R	100%	9,939	55	22,395
8	The Royale (Ph.2), 8 Castle Peak Road, Tuen Mun	R	16.71%	-	196	13,446
9	The Addition – 342-356 Un Chau Street, Cheung Sha Wan	C/R	100%	14,227	19	8,284
10	NOVUM EAST – 856 King's Road, Quarry Bay	C/R	100%	28,365	27	7,425
11	South Walk-Aura, 12 Tin Wan Street, Aberdeen	C/R	100%	3,142	26	6,145
12	The Vantage – 63 Ma Tau Wai Road, Hung Hom	C/R	100%	34,534	11	4,673
13	The Richmond – 62C Robinson Road, Mid-Levels West	C/R	100%	1,179	10	3,653
14	Reach Summit – Sereno Verde Ph.5 – 99A Tai Tong Road, Yuen Long	R	79.03%	-	14	3,359
15	The Reach – 11 Shap Pat Heung Road, Yuen Long	R	79.03%	-	2	2,509
16	H-Bonaire – 68 Main Street, Ap Lei Chau	C/R	100%	5,228	4	2,553
17	NOVUM WEST – 460 Queen's Road West, Sai Ying Pun	C/R	100%	8,719	4	1,923
18	The Royale (Ph.1), 8 Castle Peak Road, Tuen Mun	R	16.71%	-	24	1,778
19	PARKER33 – 33 Shing On Street, Shau Kei Wan	C/R	100%	-	2	1,134
20	Global Gateway Tower – 63 Wing Hong Street, Cheung Sha Wan	I/O	100%	-	n.a.	77,777
21	E-Trade Plaza – 24 Lee Chung Street, Chai Wan	O	100%	-	n.a.	60,359
22	The Globe – 79 Wing Hong Street, Cheung Sha Wan	O	100%	-	n.a.	54,003
23	Mega Cube – 8 Wang Kwong Road, Kowloon Bay	O	100%	-	n.a.	48,622
Total (Project no. 1-23)				244,563	1,209	798,732

*C = Commercial; R = Residential; O = Office; I/O = Industrial/ Office.

The Group's interest represents 25.07% of the development and after the allocation of the residential units to the relevant developers. The Group holds jointly with one developer a 50/50 interest in the residential units so allocated.

For projects no. 21-23, the area represents the project's office, industrial or shop area.

Annex 2.1.2:

Newly-acquired Urban Redevelopment Projects with 80% to 100% ownership



Hong Kong	With 100% ownership secured		80% or above but < 100% ownership secured		Total attri. GFA (sq. ft.)
	Site area (sq. ft.)	Expected attri. GFA upon redevelopment (sq. ft.)	Site area (sq. ft.)	Expected attri. GFA upon redevelopment (sq. ft.)	
(1) 4A-4P Seymour Road, Mid-Levels (65% stake held by HLD)	52,466	306,921		665,403 sq.ft. @ Mid-Levels	306,921
(2) 1-4 Ladder Street Terrace, Mid-Levels	2,859	13,907			13,907
(3) 94-100 Robinson Road, Mid-Levels	5,798	28,990	6,362	31,810	60,800
(4) 88 Robinson Road, Mid-Levels			10,361	51,805	51,805
(5) 105 Robinson Road, Mid-Levels			27,530	126,638	126,638
(6) 33-47A Elgin Street, Mid-Levels			13,252	105,332	105,332
(7) 13-21 Wood Road and 22-30 Wing Cheung Street, Wanchai	6,392	51,068	2,208	19,722	70,790
(8) 83-95 Shek Pai Wan Road and 2 Tin Wan Street, Aberdeen	4,950	42,075	1,128	10,716	52,791
(9) 4-6 Tin Wan Street, Aberdeen			1,740	14,790	14,790
(10) 9-13 Sun Chun Street, Tai Hang			2,019	18,171	18,171
(11) 17-25 Sun Chun Street, Tai Hang			4,497	40,473	40,473
(12) 983-987A King's Road and 16-22 and 24-94 Pan Hoi Street, Quarry Bay (50% stake held by HLD)			43,882	176,760	176,760
Sub-total(Hong Kong):	72,465	442,961	112,979	596,217	1,039,178

Note 1: Developable area may be subject to payment of land premium.

* their ownership will be consolidated by proceeding to court for compulsory sale under the "Land (Compulsory Sale for Redevelopment) Ordinance". In the event that no court order is granted, the Group may not be able to complete the consolidation of the ownership for development.

Annex 2.1.2:

Newly-acquired Urban Redevelopment Projects with 80% to 100% ownership



Kowloon and New Territories	With 100% ownership secured		80% or above but < 100% ownership secured		Total attri. GFA (sq. ft.)
	Site area (sq. ft.)	Expected attri. GFA upon redevelopment (sq. ft.)	Site area (sq. ft.)	Expected attri. GFA upon redevelopment (sq. ft.)	
(13) 16 Kimberly Road, Tsim Sha Tsui (Block B, Champagne Court)			12,283	147,396	147,396
(14) Various projects spanning Ka Shin Street, Kok Cheung Street, Pok Man Street, Man On Street and Tai Kok Tsui Road, Tai Kok Tsui	9,642	86,772	22,163	199,467	286,239 @ Tai Kok Tsui
(15) 456-466 Sai Yeung Choi Street North and 50-56A Wong Chuk Street, Sham Shui Po	22,889	203,962			203,962
(16) 1-27 Berwick Street, 202-220 Nam Cheong Street and 1-14 Yiu Tung Street, Shek Kip Mei	37,801	340,209	7,725	61,800	402,009
(17) Various projects spanning Gillies Avenue South, Baker Street, Whampoa Street and Bulkeley Street, Hung Hom	98,875	889,814			889,814 @ Hung Hom
(18) 68A-76B To Kwa Wan Road, 58-76 Lok Shan Road, 14-20 Ha Heung Road, 1-7 Lai Wa Street and 1-9 and 2-8 Mei Wa Street, To Kwa Wan			42,506	374,355	374,355
(19) 4 Liberty Avenue, Ho Man Tin			4,882	39,933	39,933
(20) 11-19 Wing Lung Street, Cheung Sha Wan (Note 1)	6,510	58,300			58,300
(21) 67-83 Fuk Lo Tsun Road, Kowloon City (Note 1)	10,954	92,425			92,425
(22) 4-22 Nam Kok Road, Kowloon City	10,177	86,505			86,505
(23) 3 Mei Sun Lane, Tai Po	6,487	37,041			37,041
Sub-total(Kowloon and New Territories):	203,335	1,795,028	89,559	822,951	2,617,979

Note 1: Developable area may be subject to payment of land premium.

Total:	275,800	2,237,989	202,538	1,419,168	3,657,157 <i>(End of 2019: 4,321,437)</i>
---------------	----------------	------------------	----------------	------------------	---

* their ownership will be consolidated by proceeding to court for compulsory sale under the "Land (Compulsory Sale for Redevelopment) Ordinance". In the event that no court order is granted, the Group may not be able to complete the consolidation of the ownership for development.

Annex 2.1.3:

Summary of All Developments in Hong Kong (as of 31 Dec 2020)



Summary of all the different categories of Development Land Resources in Hong Kong		Attri. GFA/ saleable area (Note 1) (mn sq. ft.)	Remarks
(A) Area available for sale:			
1	Unsold units from major launched projects	0.8	
2	Projects pending sale in 2021	2.4	
Sub-total		3.2	
(B) Area available for sale and leasing:			
3	Existing urban redevelopment projects	0.9	Date of sales launch not yet fixed and one of them is pending finalization of land premium with the Government
4	Newly-acquired urban redevelopment projects – ownership fully consolidated	2.3	Most of them are expected to be available for sale or leasing in 2022 – 2023
5	Newly-acquired urban redevelopment projects – with over 80% ownership secured	1.4	Most of them are expected to be available for sale in 2023 – 2025
6	Newly-acquired urban redevelopment projects – with over 20% but less than 80% ownership secured (Note 2)	0.6	Redevelopments of these projects are subject to acquisition of full ownerships
7	Murray Road, Central	0.5	To be held for rental purposes upon completion
8	Kai Tak Development Area	0.7	Expected to be available for sale in 2022 – 2023 (excl. the projects at NKIL No.6565, 6562 and 6574, which are in the sales pipeline in 2021)
9	Castle Peak Road / Un Chau Street project, Sham Shui Po	0.1	Expected to be available for sale in 2022
Sub-total		6.5	
Total of Sections (A) and (B)		9.7	

Notes:

- GFA is calculated on the basis of the Buildings Department's approved plans or the Government's latest city planning parameters, as well as the Group's development plans. For certain projects, it may be subject to change depending on the actual needs in the future.
- The 28 projects have a total estimated attributable GFA of ~1.71 mn sq. ft. based on the Government's latest city planning and upon successful consolidation of ownership. The Group's total attributable GFA based on the ownership currently secured for each project: ~0.64 million sq. ft. Such acquisitions bear uncertainty and the Group may not be able to consolidate ownerships of all projects. Redevelopments can only be implemented upon acquisition of the full ownership of the relevant projects.

Annex 2.1.3 & 2.1.4:

Summary of All Developments in Hong Kong (as of 31 Dec 2020)



Summary of all the different categories of Development Land Resources in Hong Kong (Cont'd)	Attri. GFA/ saleable area (Note1) (mn sq. ft.)	Remarks
(C) Major development projects in New Territories:		
• Fanling North	3.5	Developable area is subject to finalization of land premium
• San Tin	0.4	Developable area is subject to finalization of land premium
• Fanling Sheung Shui Town Lot No. 263, Kwu Tung	0.3	The Group finalized in-situ land exchange with land premium settled for this land lots in 2017
• Others	0.5	Developable area is subject to finalization of land premium
Sub-total	4.7	
Total for Sections (A), (B) and (C)	14.4	

Note: 1. GFA is calculated on the basis of the Buildings Department's approved plans or the Government's latest city planning parameters, as well as the Group's development plans. For certain projects, it may be subject to change depending on the actual needs in the future.

Urban Redevelopment Projects Pipeline

	Project	Site area (sq. ft.)	Expected GFA upon redevelopment (sq. ft.)	HLD's interest	Expected attributable GFA upon redevelopment (sq. ft.)	
					For rental	For sale
1	Yau Tong Bay, Kowloon (Note 1)	808,398	3,983,789	22.8%	--	908,304
2	29A Lugard Road, The Peak, Hong Kong	23,653	11,709	100%	--	11,709
Total		832,051	3,995,498	--	920,013	

Note:
1. The general building plan (after adjustment of site boundary) was approved in July 2017. The Government's provisional basic terms were accepted in July 2020 and it is pending the Government's finalisation of the amount of land premium

Annex 3.1:

Development Landbank in Mainland China



Land bank under/ for development as of 31 December 2020



A “Two-pronged” strategy

	No. of Projects	Attributable GFA* (mn sq. ft.)
1. Beijing	3	1.04
2. Shanghai	3	3.39
3. Guangzhou	4	2.89
4. Shenzhen	1	0.21
5. Changsha, Hunan	1	3.37
6. Chengdu, Sichuan	3	4.55
7. Hefei, Anhui	1	0.69
8. Nanjing, Jiangsu	1	0.19
9. Shenyang, Liaoning	1	4.45
10. Suzhou, Jiangsu	2	1.66
11. Xiamen, Fujian	1	0.34
12. Xian, Shaanxi	1	5.86
13. Xuzhou, Jiangsu	1	0.62
14. Yixing, Jiangsu	1	0.84
TOTAL at 31 Dec 2020	24	30.10
TOTAL at 31 Dec 2019	23	31.86

Prime cities:
7.53 mn sq. ft.

2nd-tier cities:
22.57 mn sq. ft.

*Excluding basement areas and car parking spaces

Annex 3.2.1:

Completion Schedule in Mainland China



- As of 31 December 2020, the Group had holding of about 0.8 mn sq. ft. in attributable GFA[#] of completed inventories in Mainland China.

- Projects completed in 2020:

City	Project name and location	Project type	GFA (sq. ft.) [#]	GFA attributable to HLD (sq. ft.) [#]
Changsha	Phase 1 & 2, The Landscape (湖山賦), Kaifu District	Residential & Commercial	2,920,000	1,460,000
Chengdu	Lot B – T3 (B05) & T4 (B06), B03#A, ICC (成都環貿廣場), Dongda Road Commercial and Financial Area	Residential / Commercial	1,503,000	451,000
Guangzhou	Twin office towers of Phase 1, Lumina Guangzhou (星寰國際商業中心), Yuexiu District	Office	973,000	973,000
Guangzhou	Phase 1, Central Manor (建發九龍倉央璽), Baiyun District	Residential & School	606,000	109,000
Shanghai	Phase 1, Nanhui New Town Project (碧行馨香清楓苑)	Residential	824,000	103,000
Shanghai	Phase 1, Nanhui New Town Project (綠地泊景雅園)	Residential	794,000	127,000
Shanghai	Middle Huaihai Road Project (恒旭薈)	Office & Commercial	286,000	143,000
Suzhou	Phase 1 & 2, Kuanyue Yayuan (寬閱雅苑)	Residential	1,824,000	639,000
Xian	Phase 2R5, 1K1 & 1S1, La Botanica (御錦城)	Residential, Commercial & School	2,036,000	1,018,000
Yixing	Phase B-2A,2B & B-3A,3B, Grand Lakeview (譽瓏湖濱), Dongjiu District	Residential, Commercial & School	2,828,000	1,414,000
		Total	14,594,000	
		Total GFA attributable to HLD		6,437,000

[#]Excluding basement areas and car parking spaces

Annex 3.2.2:

Completion Schedule in Mainland China (Cont'd)



■ Completion schedule for 2021

City	Project name and location	Project type	Estimated GFA (sq. ft.)#	Estimated GFA attributable to HLD (sq. ft.)#
Beijing	Lakeside Mansion (祥雲賦), Shunyi District	Residential / Commercial	1,294,000	317,000
Changsha	Phase 1 – 5, The Landscape (湖山賦), Kaifu District	Residential, Commercial & School	3,830,000	1,915,000
Chengdu	Lot B–T2 (B02) & B03#B, ICC (成都環貿廣場), Dongda Road Commercial and Financial Area	Commercial	1,300,000	390,000
Guangzhou	Retail podium complex of Phase 1, Lumina Guangzhou (星寰國際商業中心), Yuexiu District	Commercial	815,000	815,000
Guangzhou	Phase 2, Central Manor (建發九龍倉央墅), Baiyun District	Residential	872,000	157,000
Guangzhou	Zengcheng Development (潤悅)	Residential	1,000,000	100,000
Hefei	Binhu Development (旭恒花園)	Residential / Commercial	1,372,000	686,000
Nanjing	Phase 3, Emerald Valley (玲瓏翠谷), Xianlin District	Residential / Commercial / Sales office	356,000	188,000
Shanghai	Phase 2, Lumina Shanghai (星瀚廣場), Xuhui District	Office / Commercial	977,000	977,000
Shanghai	Phase 1, Lumina Shanghai (星揚西岸中心), Xuhui District	Office / Commercial	2,004,000	2,004,000
Xian	Phase 3R4, 3K2, 2R3 & 2P2, La Botanica (御錦城)	Residential, Commercial & School	2,426,000	1,213,000
Xuzhou	Phase 4A & 4B, Grand Paradise (恒基·雍景新城)	Commercial	571,000	571,000
Yixing	Phase F2B & F3, Grand Lakeview (譽瓏湖濱), Dongjiu District	Residential & Commercial	1,686,000	843,000
		Total	18,503,000	
		Total estimated GFA attributable to HLD		10,176,000











#Excluding basement areas and car parking spaces

Annex 3.3:

Rental Portfolio in Mainland China



Major completed investment properties in Mainland China as of 31 December 2021

										
Project Name	World Financial Centre	Grand Gateway Office Tower II	Skycity	Centro	Greentech Tower	Henderson Metropolitan	Henderson 688	Hengxu Hui	Hengbao Plaza	Lumina Guangzhou (Twin Office Towers)
Location	Beijing	Shanghai							Guangzhou	
HLD's interest	100%	100%	100%	100%	100%	100%	100%	50%	100%	100%
Usage	Office & Retail	Office	Office & Retail	Office & Retail	Office & Retail	Office & Retail	Office & Retail	Office & Retail	Retail	Office
Acquisition Year	1994	1997	1992	1992	1992	2007	1994	2017	1995	Since 1993
Completion Year	2009	2005	1998	2010	2012	2010	2014	2020	2001	2020
GFA^ (sq. ft.)	2,212,591	687,981	436,849	434,125	408,804	834,598	710,636	181,197	609,550	972,946
• Office	1,999,947	687,981	143,401	368,658	355,882	427,980	660,829	128,177	--	972,946
• Commercial	212,644	--	293,448	65,467	52,922	406,618	49,807	53,020	609,550	--
• No. of Car park	1,163	--	272	186	163	272	404	82	326	--
Leasing Rate ■ 31 Dec 2020	~96% (Office) ~100% (Retail)	~88%	~92% (Office) ~71% (Retail)	~83% (Office) ~98% (Retail)	~95% (Office) ~100% (Retail)	~98% (Office) ~94% (Retail)	~94% (Office) ~100% (Retail)	Leasing in Progress	~92% (excl. basement retail)	Leasing in Progress

^Excluding car parking spaces and basement retail area

Henderson's refreshed Sustainability Strategy

- Henderson Land is committed to embedding sustainability as an integral part of our business. The Group strongly believes that the consideration of ESG factors in our decision-making process helps to enhance the sustainability of our business and drives business growth.



GREEN FOR PLANET

Building a Green Portfolio:
Reducing our impact on the environment



INNOVATION FOR FUTURE

Shaping a Smarter Future:
Creating a smart built environment enabled by innovation and technology



VALUE FOR PEOPLE

Creating a Caring Culture:
Being a caring employer who looks after our people and our partners



ENDEAVOUR FOR COMMUNITY

Establishing a Living Community:
Providing a more liveable environment that enhances well-being and quality of life



Annex 4:

ESG 2020 Highlights (cont'd)



Our cumulative achievements of local, regional and international green building

- **41** BEAM Plus
 ↑4 compared to 2019
- **19** BEAM
- **14** LEED Gold or above certifications
 ↑2 compared to 2019
- **7** China Green Building Design Labels
 ↑2 compared to 2019

and the healthy building certifications:

- **4** WELL project accreditations
- **1** China Healthy Building Design Label

New Project Achievement

Murray Road Project:

- BEAM Plus Provisional Platinum
- LEED Platinum Pre-certification (Core & Shell), *achieved in 2019*
- WELL Platinum Level Pre-certification, *achieved in 2019*
- China Green Building Design Label – 3-Star Highest Rating
- MIPIM Asia Awards 2020: Best Futura Project – Silver Winner
- A&D Awards 2020
 - Architecture - Future Development – Commercial – Gold Award
- Asia Property Awards 2020
 - Best Office Architectural Design (Asia) – 5-star Winner
 - Best Office Architectural Design (Hong Kong) – Winner
 - Best Office Interior Design (Hong Kong) – Winner
- Build4Asia Awards 2020: Outstanding Future Project
- Outstanding Property Award London 2020
 - Architectural Design – Platinum Winner
 - Interior Design – Platinum Winner
 - Architectural Design Commercial, High-Rise – Winner

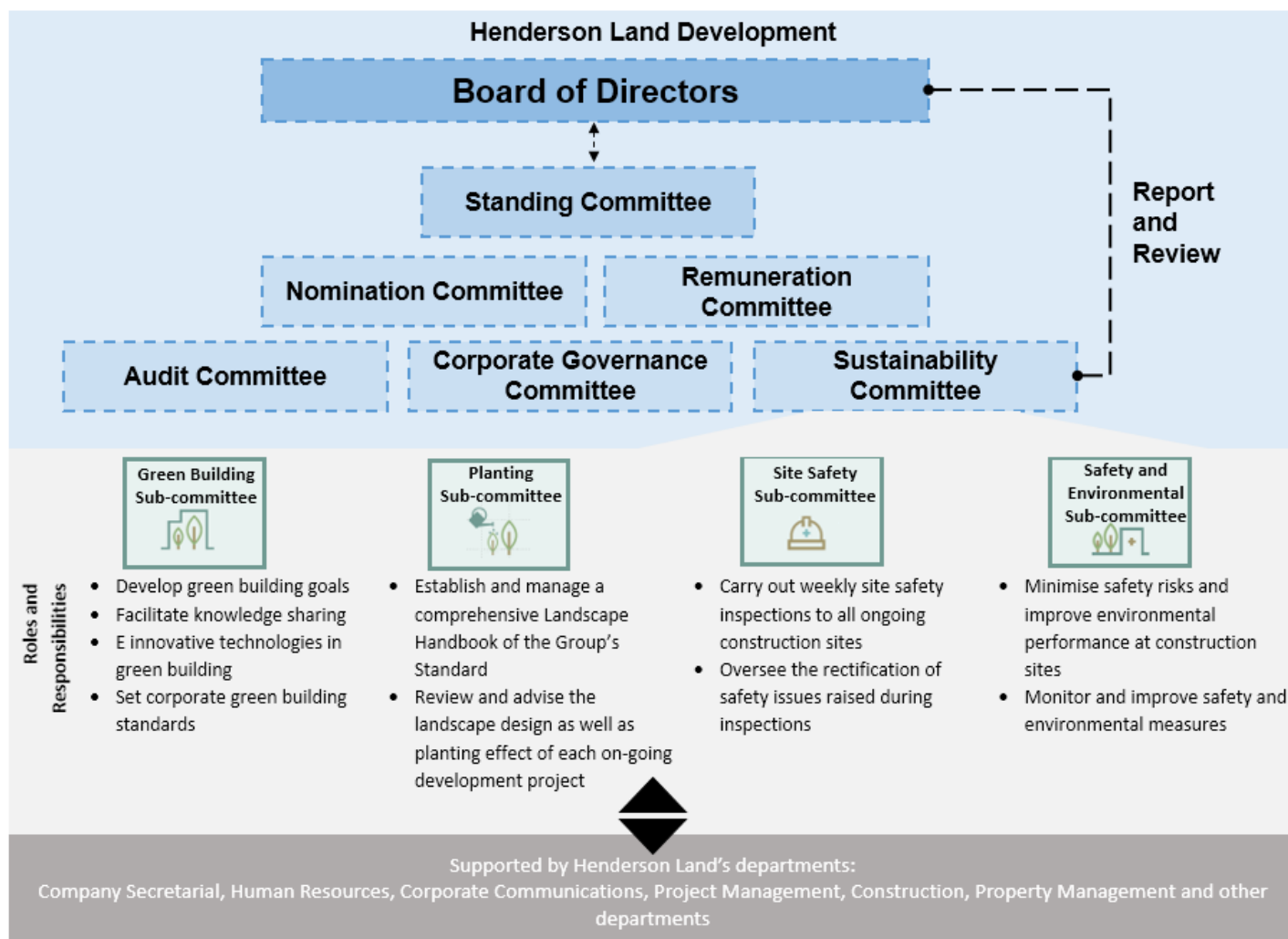


Annex 4:

ESG 2020 Highlights (cont'd)



- This year we enhanced our sustainability corporate governance.
- We established new ESG policies and enhanced the Terms of Reference of the Sustainability Committee.



Annex 4:

ESG 2020 Highlights (cont'd)



Sustainability awards

- Bloomberg Businessweek/Chinese Edition and Deloitte ESG Enterprise Awards 2020
- BCI Asia **Top 10** Awards 2020
- International ARC Awards: Outstanding presentation and design of Corporate Social Responsibility Report

ESG
Leading Enterprise
Awards **2020**



Recognitions from sustainability indices and ratings



Hang Seng Corporate
Sustainability Index
Series Member 2020-2021

Listed for 10 consecutive years,
AA in 2020

MSCI
ESG Rating of
BB in 2020

GRESB
Public Disclosure Rating of
B in 2020



Sustainability Rating Seal 2020-2021
- **AA** Rating



Hong Kong
Business
Sustainability Index 2019
香港企業可持續發展指數 2019



Greater Bay Area
Business
Sustainability Index 2019
粵港澳大灣區企業可持續發展指數2019

Ranked as top 20 performing company (Achiever)



Hong Kong Head Office

Address:

72-76/F, Two International Finance Centre
8 Finance Street, Central
Hong Kong

Telephone: (852) 2908 8888

Fax: (852) 2908 8838

Website: www.hld.com

Investor Contact:

Mr. Patrick Kwok

Executive Director

Direct line: (852) 2908 8373

Email: patrick.kwok@hld.com

Mr. Kelvin Chi

Senior Investor Relations Manager

Direct line: (852) 2908 8392

Email: kelvin.chi@hld.com

