

Announcement

The following announcement was issued today to a Regulatory Information Service approved by the Financial Conduct Authority in the United Kingdom.

HONGKONG LAND HOLDINGS LIMITED Interim Management Statement

11th November 2021 – Hongkong Land Holdings Limited today issues an Interim Management Statement for the third quarter of 2021.

The Group's underlying profit in the period was higher than the third quarter of 2020, principally due to more Development Properties completions on the Chinese mainland, whilst the contribution from Investment Properties was broadly unchanged.

In Hong Kong, the Group's Central office portfolio continued to perform relatively well due to its high quality and unique positioning, despite rising office vacancies across the city. Physical vacancy at 30th September 2021 decreased to 6.1%, compared to 6.4% at the end of June. On a committed basis, vacancy was 4.8%. The modest recovery in new office leasing activity from the first half of the year continued, although office rental reversions were negative, reflecting the decrease in rents since the onset of the pandemic.

Although Hong Kong's borders remained closed to visitors, tenant sales at the Group's Central retail portfolio increased compared to the second quarter of 2021 and were higher than the same period in 2020. This resulted in a decline in temporary rent relief which the Group continued to provide to support its tenants on a case-by-case basis. Physical and committed vacancy at 30th September 2021 remained very low at 0.3%.

Rental reversions in the Group's Singapore office portfolio were positive in the period. Physical vacancy increased to 8.0% at 30th September 2021 from 7.5% at the end of June, although it is expected to decline in the fourth quarter as tenants take up committed space. On a committed basis, vacancy was 1.9%.

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In Development Properties, market sentiment on the Chinese mainland weakened in the quarter relative to the first half of the year amidst tightened credit conditions for the property sector. Contracted sales at the Group's projects, however, remained in line with expectations. The Group's attributable interest in contracted sales was US\$258 million in the third quarter, compared to US\$639 million in the equivalent period in 2020, but this was due to the timing of sales launches. In the nine months to 30th September 2021, the Group's attributable interest in contracted sales was US\$1,618 million, compared to US\$1,230 million in the same period last year.

In Singapore, residential market sentiment remained stable. The Group's attributable interest in contracted sales was US\$88 million in the quarter, compared to US\$145 million in the equivalent period in 2020, due to the 1,404-unit Parc Esta project being largely pre-sold. In the nine months to 30th September 2021, the Group's attributable interest in contracted sales was US\$260 million, compared to US\$446 million last year.

No new development projects were acquired in the period.

The Group's financial position remains strong. Net debt at 30th September 2021 was US\$4.4 billion, compared to US\$4.3 billion at the end of June. Committed liquidity was US\$4.7 billion. The Group issued its inaugural 10-year green bond in the period, raising US\$500 million to fund its green buildings and related initiatives. Average tenor of debt at 30th September 2021 increased to 6.7 years compared to 6.4 years at the end of June.

Hongkong Land is a major listed property investment, management and development group. The Group owns and manages more than 850,000 sq. m. of prime office and luxury retail property in key Asian cities, principally in Hong Kong, Singapore, Beijing and Jakarta. The Group also has a number of high-quality residential, commercial, and mixed-use projects under development in cities across China and Southeast Asia. In Singapore, its subsidiary, MCL Land, is a well-established residential developer. Hongkong Land Holdings Limited is incorporated in Bermuda and has a primary listing on the London Stock Exchange, with secondary listings in Bermuda and Singapore. The Group's assets and investments are managed from Hong Kong by Hongkong Land Limited. Hongkong Land is a member of the Jardine Matheson Group.

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This and other Group announcements can be accessed through the Internet at 'www.hkland.com'.