

Business Review

Property Holdings and Development



LCK Real Estate Limited ("LCKRE")

LCKRE, a wholly-owned subsidiary of TIH, is the owner of the Group's headquarters building in Lai Chi Kok.





The Group leverages its property assets to achieve a stable rental income



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LCKRE owns the 17-storey commercial office building at 9 Po Lun Street, Lai Chi Kok, Kowloon, which has a total gross floor area of about 156,700 square feet. The building is situated next to Manhattan Hill. Approximately 12% of the gross floor area is used by the Group as headquarters with the remaining gross floor area leased out to offices, shops and restaurants.

LCK Commercial Properties Limited ("LCKCP")

LCKCP, a wholly-owned subsidiary of TIH, is the owner of Manhattan Mid-town, the commercial complex of Manhattan Hill.

LCKCP owns Manhattan Mid-town shopping mall, the two-level high-end retail podium at Manhattan Hill, located in Kowloon within easy reach of Hong Kong Island and Hong Kong International Airport by road or rail. The 50,000 square feet shopping mall provides Manhattan Hill residents and other shoppers with high quality retail facilities. At the end of 2019, the entire lettable area of the shopping mall was leased out, generating recurring rental income for the Group.

TM Properties Investment Limited ("TMPI")

TMPI, a wholly-owned subsidiary of TIH, is the owner of the property at Tuen Mun Town Lot No. 80 in the New Territories.

TMPI owns an industrial property comprising a single-storey high ceiling structure and a three-storey workshop building with a total gross floor area of about 105,900 square feet. At the end of 2019, the entire lettable area of the property has been leased out to generate rental income for the Group.

KT Real Estate Limited ("KTRE")

KTRE, a wholly-owned subsidiary of TIH, and Turbo Result Limited ("TRL"), a wholly-owned subsidiary of Sun Hung Kai Properties Limited ("SHKP"), own Kwun Tong Inland Lot No. 240 (the "Kwun Tong Site") at 98 How Ming Street, Kowloon, as tenants in common in equal shares.

Sun Hung Kai Real Estate Agency Limited, a subsidiary of SHKP, was appointed as the project manager to oversee the development of the Kwun Tong Site. In August 2016, KTRE and TRL accepted the offer from the Lands Department for the grant of lease modification from industrial to non-residential use (excluding hotel, petrol filling station and residential care home).

In December 2018, KTRE, TRL and Yee Fai Construction Company Limited, a subsidiary of SHKP (the "Contractor") entered into a building contract (the "Building Contract") under which KTRE and TRL engaged the Contractor to carry out and complete the construction work for the Kwun Tong Site at a contract sum of HK\$4,436,056,954.36 (to be borne by KTRE and TRL in equal shares), subject to adjustments in accordance with the Building Contract. The contract was approved by independent shareholders in February 2019.

The foundation work of Kwun Tong Site was completed in 2019. The basement and superstructure construction works are underway. The occupation permit is expected to be obtained in mid-2022.

The Group's Property Holdings and Development:

Property	Usage	Total Gross Floor Area (square feet)	Group's Interest %	Remarks
TIH Headquarters Building, 9 Po Lun Street, Lai Chi Kok, Kowloon	Office/Shops	156,700	100	The site was acquired at market price through private purchase in 1955
Manhattan Mid-town, 1 Po Lun Street, Lai Chi Kok, Kowloon	Shopping Centre	50,000	100	The site, acquired at market price through private purchase in 1955, was redeveloped and opened in 2009
Tuen Mun Town Lot No. 80, 1 Kin Fung Circuit, Tuen Mun, New Territories	Industrial/ Godown	105,900	100	The site was acquired at public auction in 1974
Kwun Tong Inland Lot No. 240, 98 How Ming Street, Kwun Tong, Kowloon	Retail/Office (Note)	1,150,000	50	The site was acquired at public auction in 1967

Note: Kwun Tong Inland Lot No. 240 is under development.