



Home to Luxury at Plaza 66 - Nov 2023



The Phantom of the Opera at Grand Gateway 66 – May 2023



TAKE CENTER STAGE Gala Dinner at Centre 66 - Sep 2023



BE MY HEARTLAND at Heartland 66 – Sep 2023



## 2023 Annual Results Presentation

January 2024

只選好的 只做對的  
We Do It Well

恒隆地產  
HANG LUNG PROPERTIES



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# 2023 Annual Results Presentation



HOME TO LUXURY at Plaza 66 - Nov 2023

The Phantom of the Opera at Grand Caraway 66 - May 2023

TAKE CENTRE STAGE Gala Dinner at Centre 66 - Sep 2023

Born in HARTLAND in Hartland 66 - Sep 2023



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January 2024

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# 2023 Annual Results Announcement

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恒隆地產  
HANG LUNG PROPERTIES  
恒隆地產有限公司  
HANG LUNG PROPERTIES LIMITED  
(Incorporated in Hong Kong Limited Liability Company)  
(Stock Code: 8309)

2023 ANNUAL RESULTS



# ESG Presentation



恒隆地產  
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**Sustainability Update and Highlights**  
ESG Update  
January 2024

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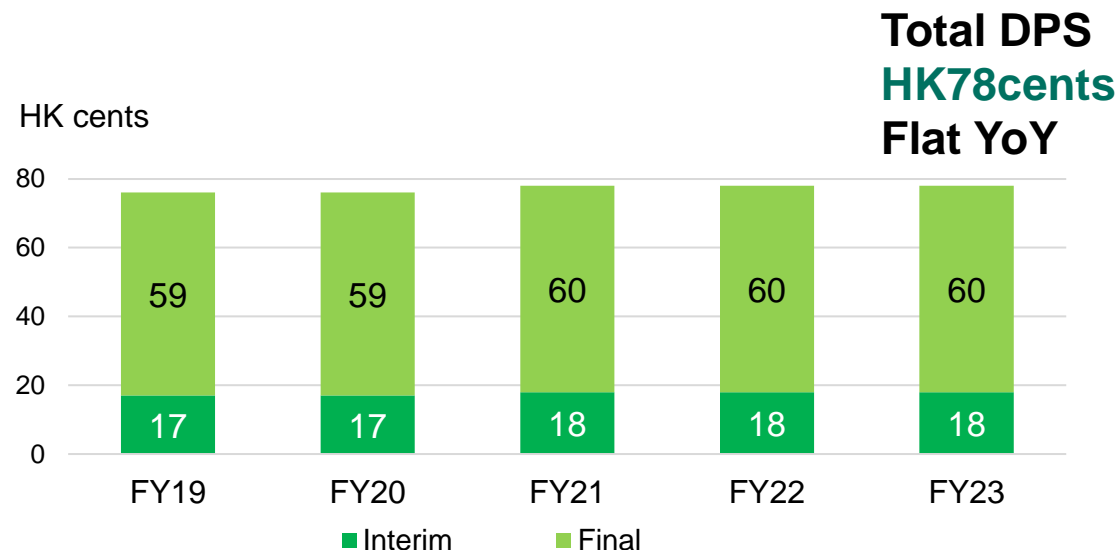
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# FY2023 Annual Results Highlights

## Hang Lung Properties (101.HK)

	Revenue		Underlying Profit /(Loss)	
	1-12/2023 (HK\$mn)	YoY change (%)	1-12/2023 (HK\$mn)	YoY change (%)
Rental	10,316	+3%	4,177	+1%
Sales	-	-100%	(40)	n.a.
<b>Total</b>	<b>10,316</b>	<b>flat</b>	<b>4,137</b>	<b>-1%</b>

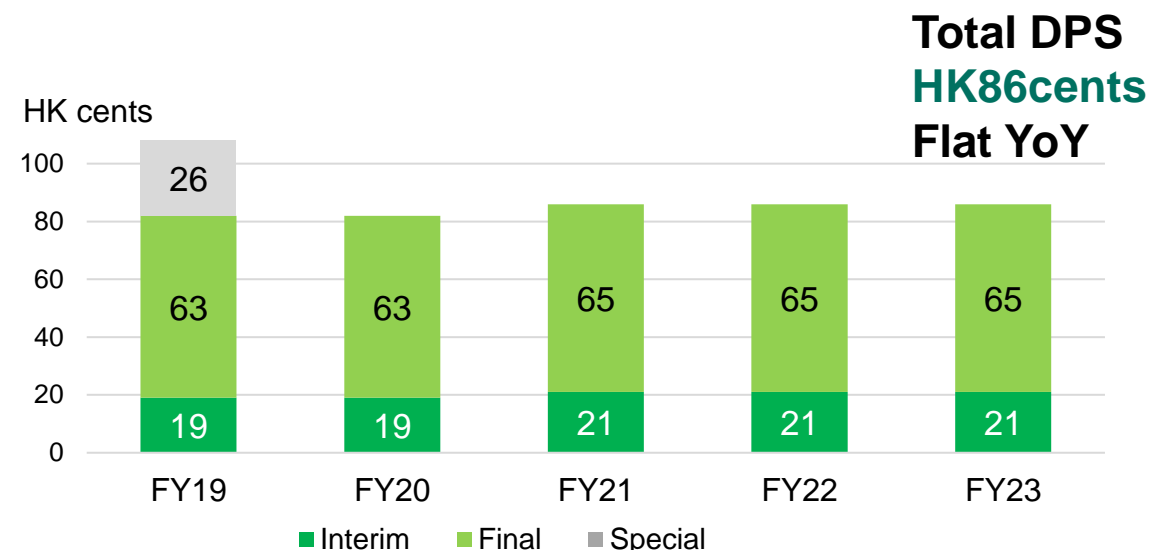
### HLP – Dividends per share



## Hang Lung Group (10.HK)

	Revenue		Underlying Profit /(Loss)	
	1-12/2023 (HK\$mn)	YoY change (%)	1-12/2023 (HK\$mn)	YoY change (%)
Rental	10,879	+2%	2,953	flat
Sales	2	-99%	(22)	n.a.
<b>Total</b>	<b>10,881</b>	<b>-1%</b>	<b>2,931</b>	<b>-2%</b>

### HLG – Dividends per share



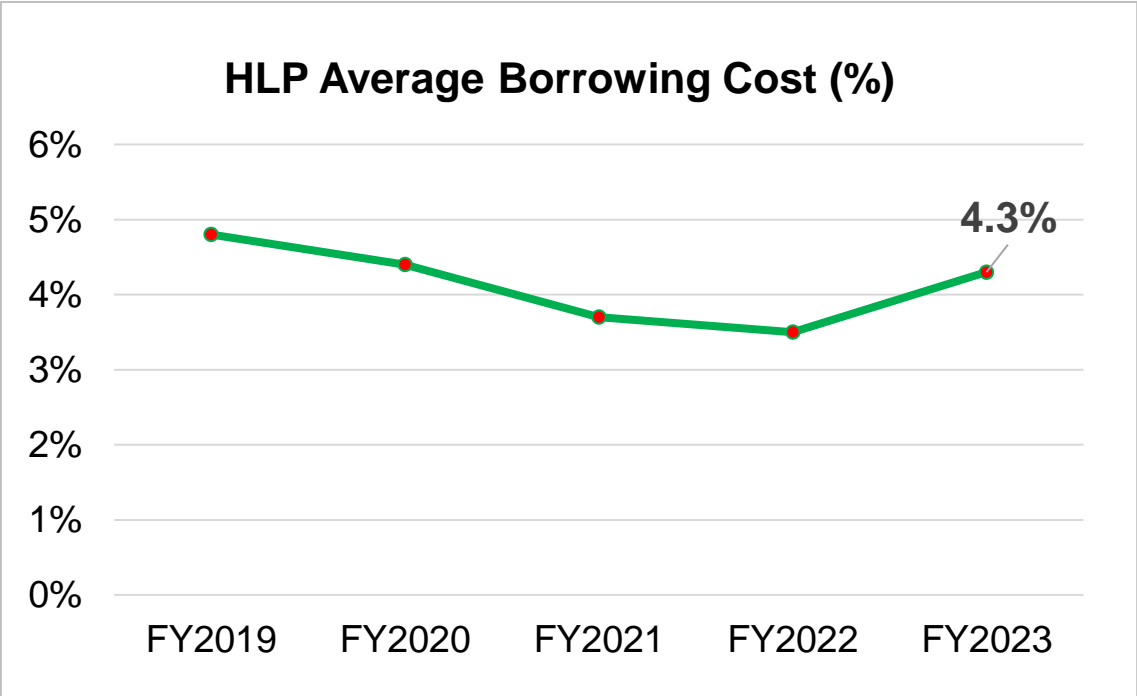
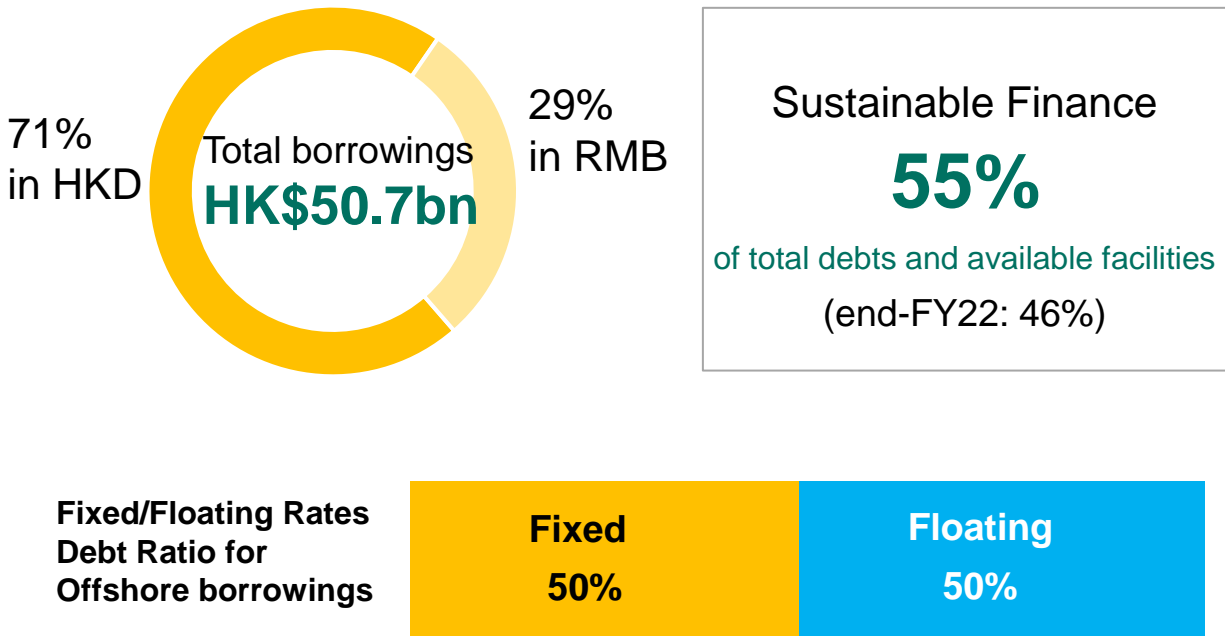


# FY2023 Financial Management

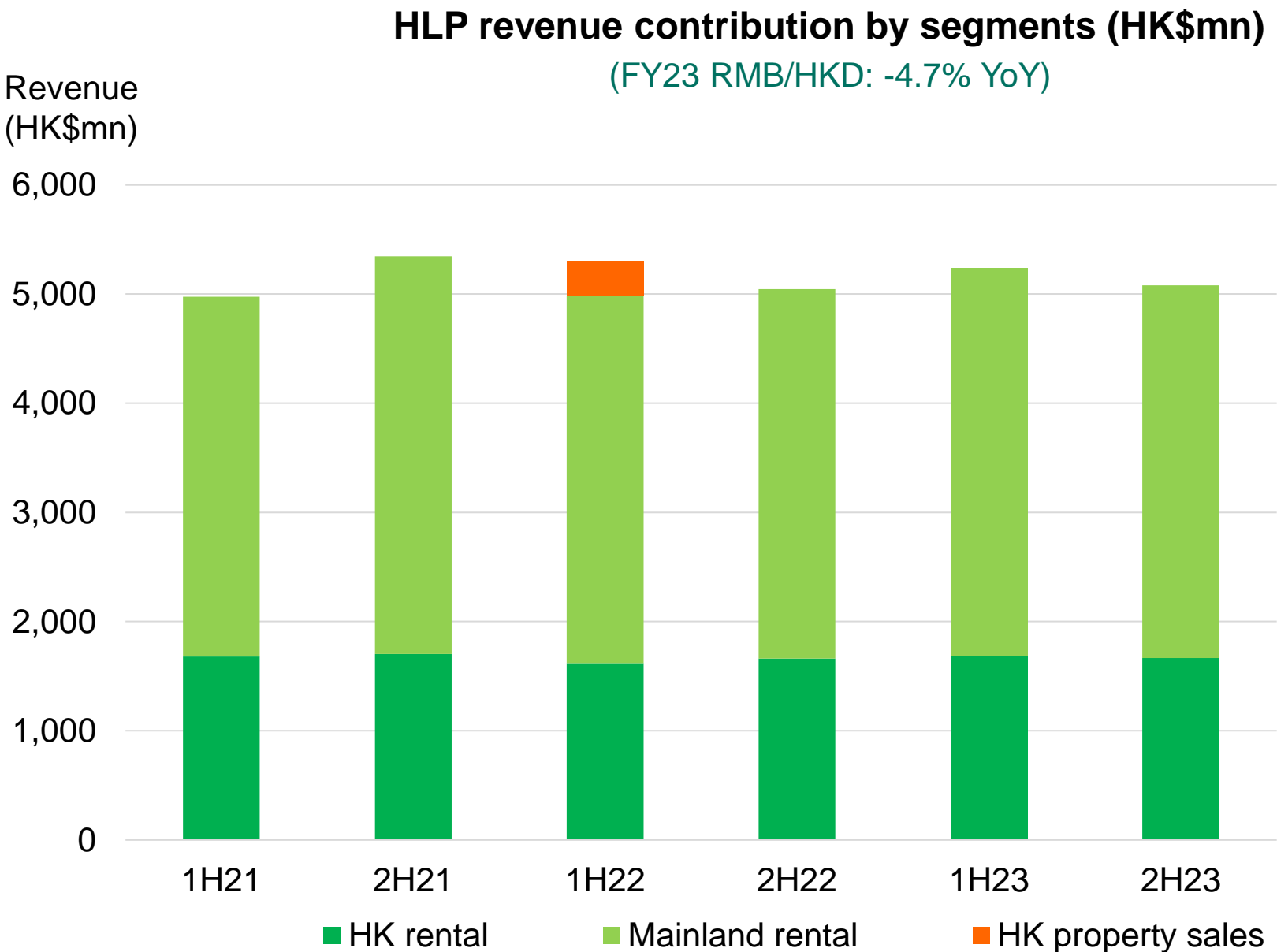
## Key Financial Metrics

Net debt to equity ratio	Interest cover	Average debt maturity	Net debt	Cash and bank deposits
<b>31.9%</b>	<b>3.6x</b>	<b>3.0 years</b>	<b>HK\$45.3bn</b>	<b>HK\$5.4bn</b>
(end-2022: 28.1%)	(2022: 4.6x)	(2022: 3.2 years)	(end-2022: HK\$40.3bn)	(end-2022: HK\$5.2bn)

## Debt Portfolio



# Revenue Contribution by Segments



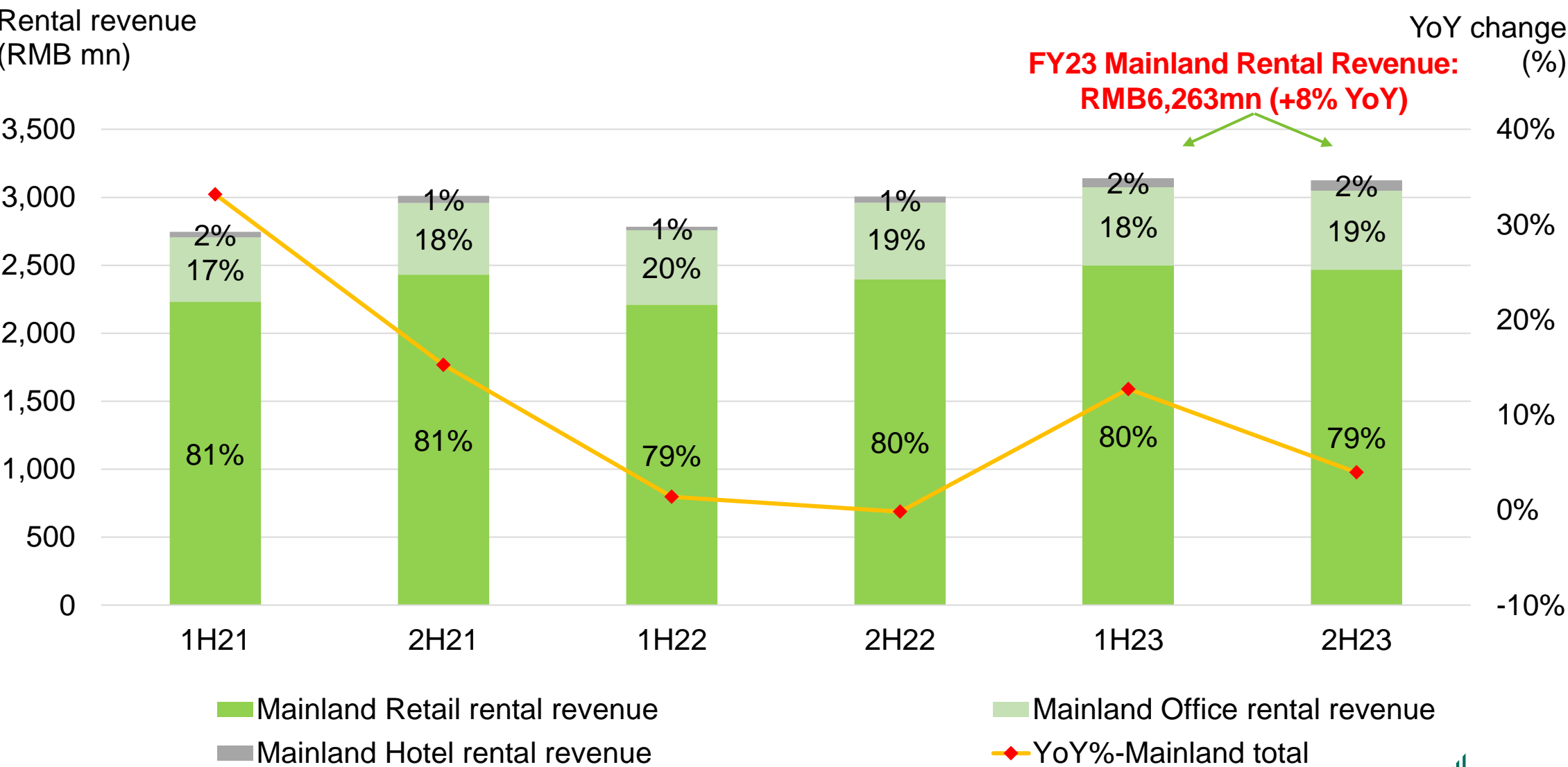
**FY23 Mainland Rental:**  
**RMB6,263mn / HK\$6,967mn**  
**Accounts for 68% of total rental**  
in RMB: +8% YoY / +9% vs FY21  
in HKD: +3% YoY / flat vs FY21

**FY23 HK Rental:**  
**HK\$3,349mn**  
**Accounts for 32% of total rental**  
+2% YoY / -1% vs FY21

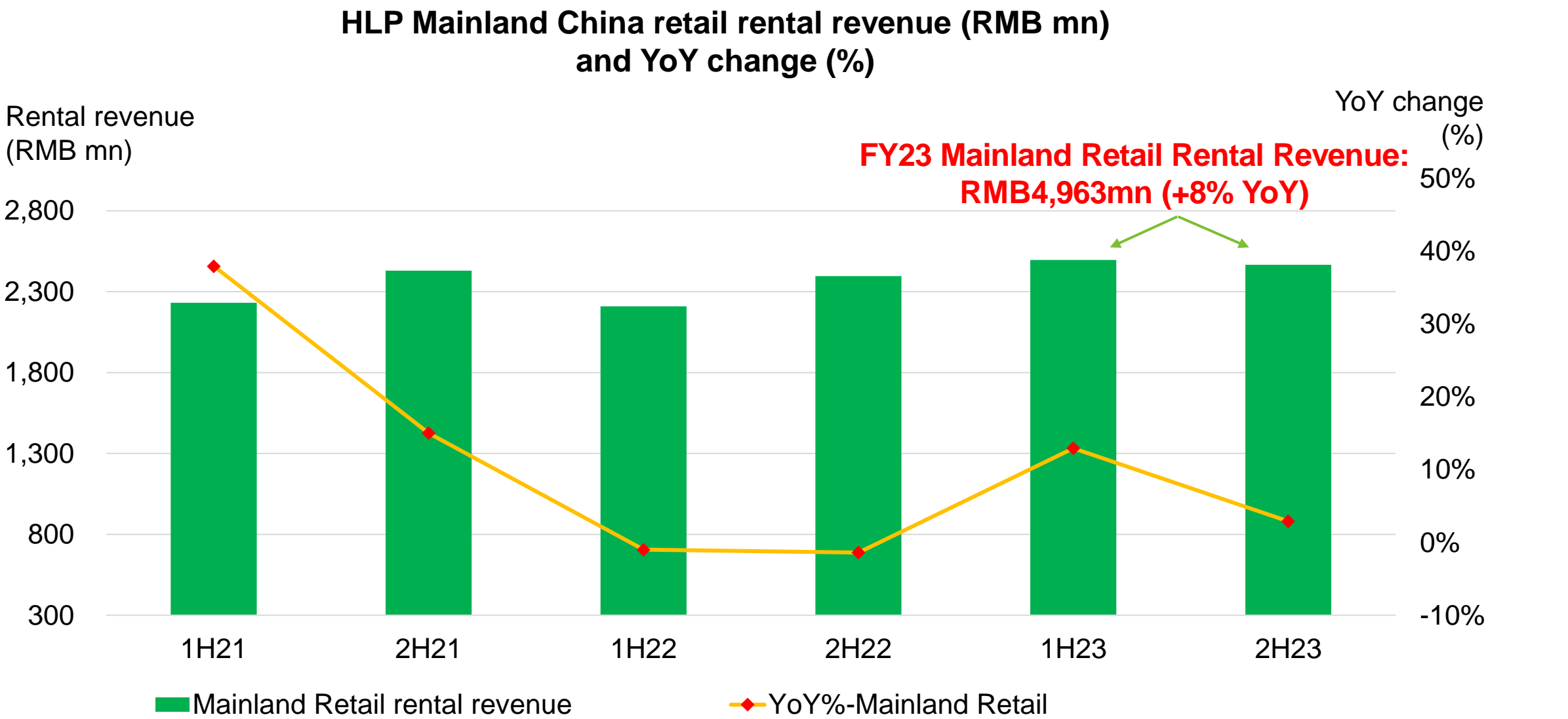


# Mainland China Rental Revenue

HLP Mainland China overall rental revenue (RMB mn)  
and YoY change (%)



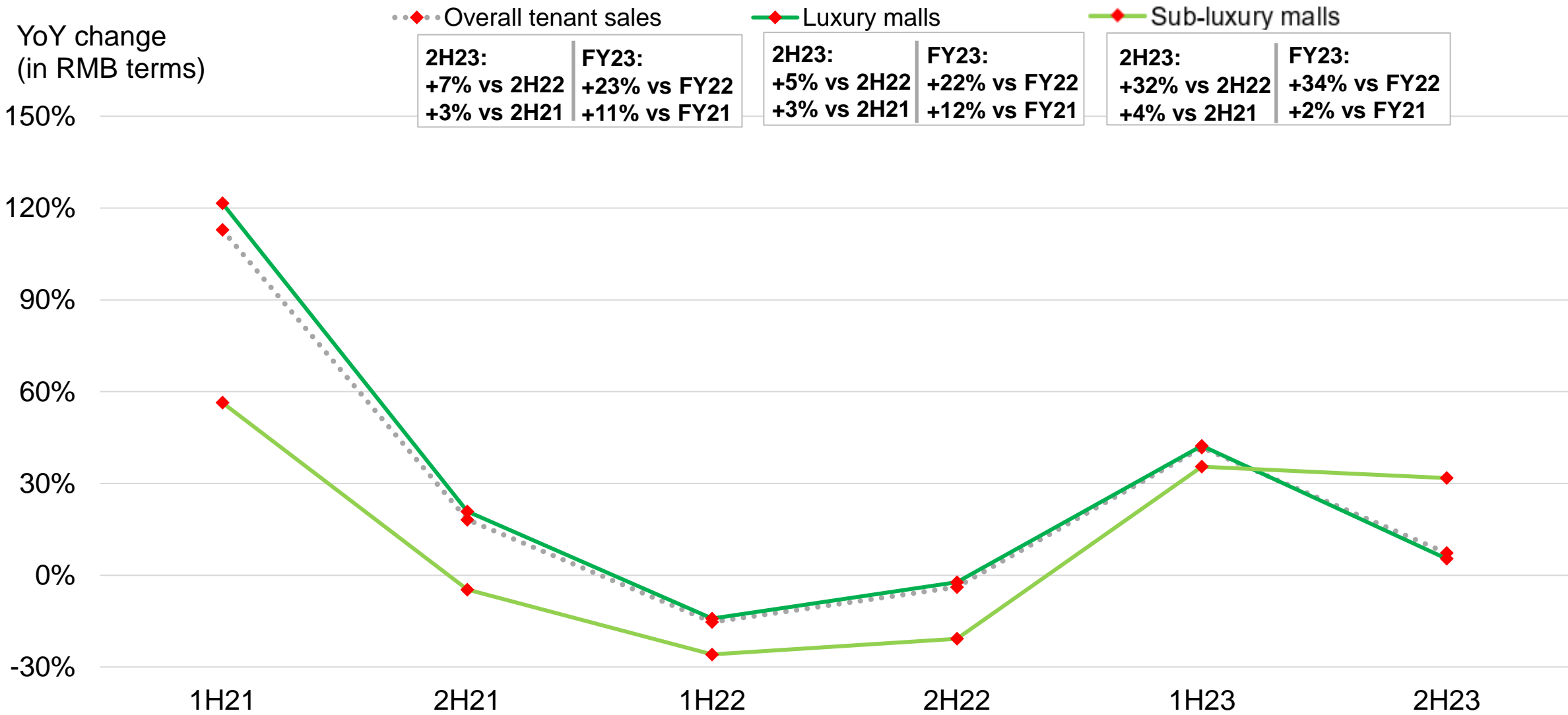
# Mainland China **Retail** Rental Revenue





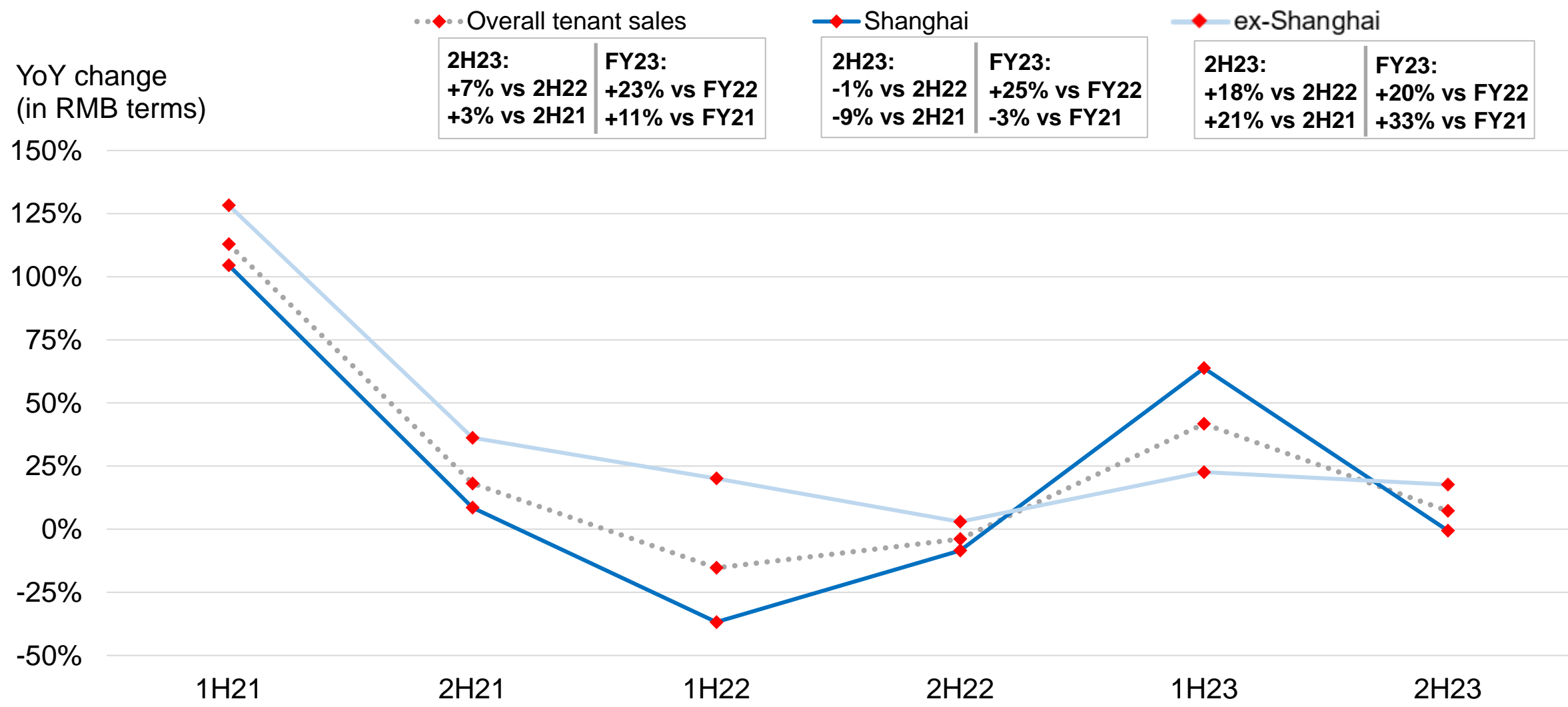
# Tenant Sales YoY Change (%) in Mainland China Retail Portfolio

(By category)



# Tenant Sales YoY Change (%) in Mainland China Retail Portfolio

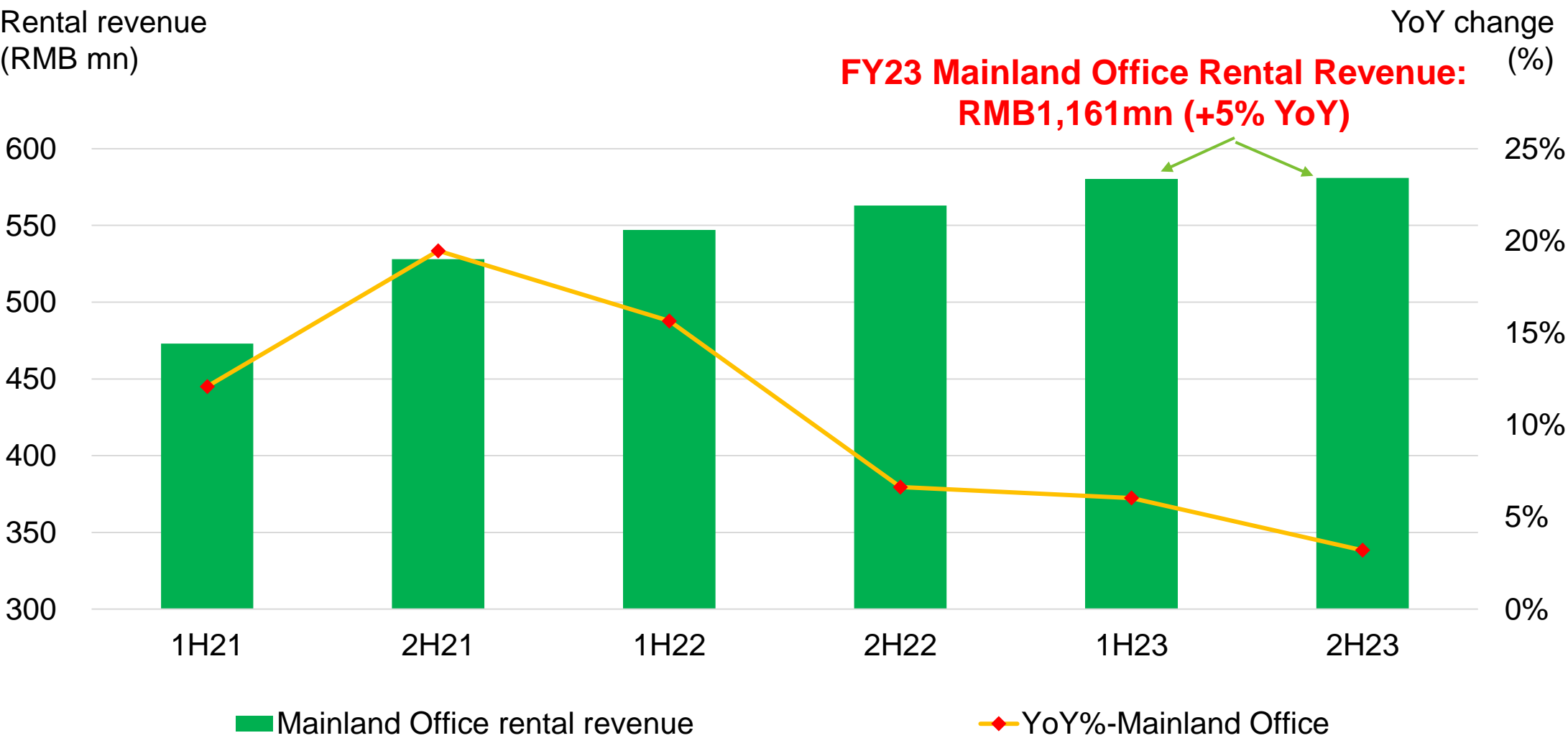
(By geography)





# Mainland China Office Rental Revenue

HLP Mainland China office rental revenue (RMB mn)  
and YoY change (%)



# CRM: 2023 Highlights

## House 66

- Launched in 2019, spanning 10 Hang Lung projects in eight cities across **Mainland China**

### Total valid members

(Up to Dec 23)

**+35%** YoY

### Member sales

(Jan – Dec 2023)

**+22%** YoY

### New members

(Jan – Dec 2023)

**+23%** YoY

### Sales Penetration

(Jan – Dec 2023)

**64%** (flat YoY)

## hello

- Launched in 2021, the program offers bespoke shopping experiences to customers in **Hong Kong**

### Total valid members

(Up to Dec 23)

**+28%** YoY

### Member sales

(Jan – Dec 2023)

**+32%** YoY

### New members

(Jan – Dec 2023)

**+6%** YoY

### Sales Penetration

(Jan – Dec 2023)

**14%** (+1pt YoY)

## Build Hang Lung Branded Experience

**EXPERIENCE**

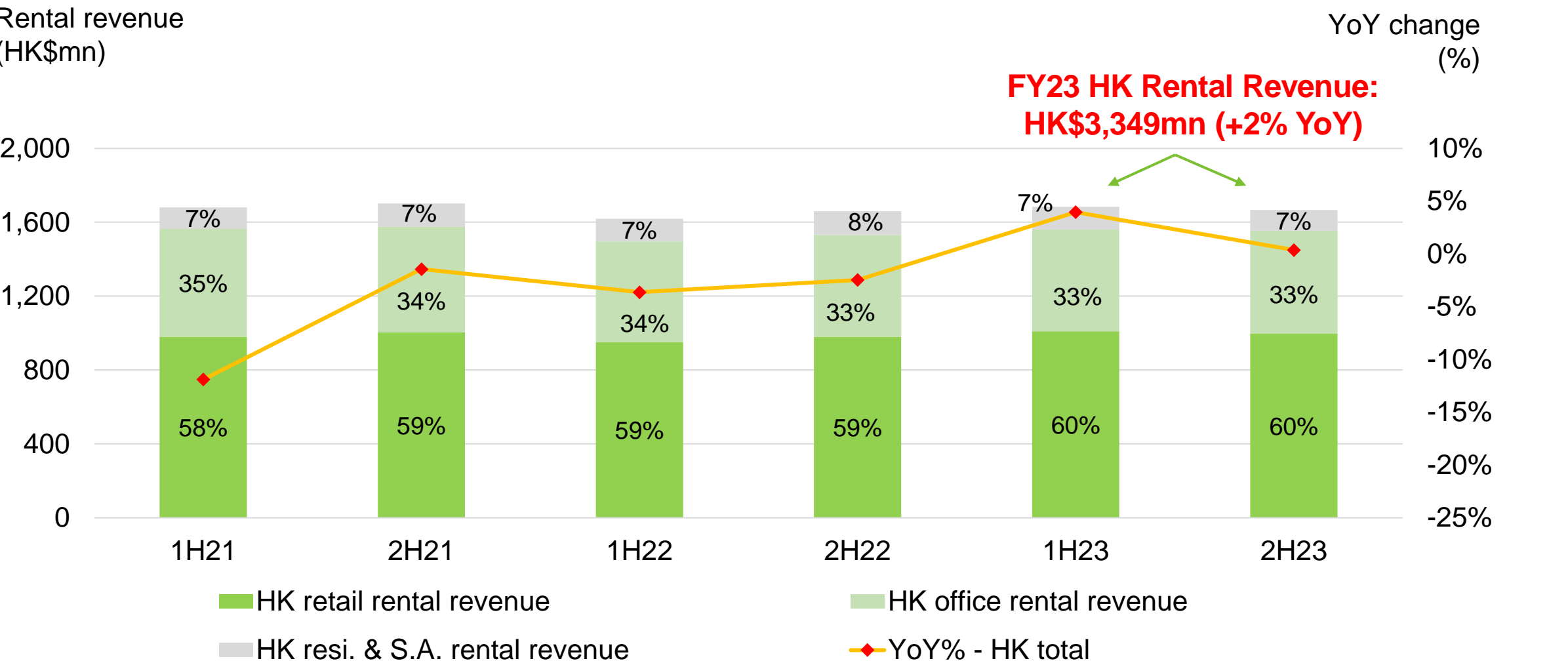
**EXCLUSIVENESS**

**ENGAGEMENT**



# Hong Kong Rental Revenue

HLP HK rental revenue (HK\$mn) and YoY change (%)



# Key milestones on Sustainability in 2H2023

## Resource utilization scheme for Hang Lung's Hong Kong Office Rejuvenation Project

- Completed the first phase of the project
- Nearly **140,000 kg** of municipal waste were diverted from landfill

August



## MSCI ESG Ratings Upgraded to “AA” rating

September

### MSCI ESG RATINGS

CCC	B	BB	BBB	A	AA	AAA
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## Tenant Partnerships Program on Sustainability

- Announced a **tenant partnerships program** including all types of tenants, with data and benchmarking on key priorities
- Launched an inaugural **tenant sustainability newsletter – Changemakers**

December



## Sustainable Finance

- As of December 31, 2023, sustainable finance for HLP accounted for **55%** of total debts & available facilities (**46%** as of December 31, 2022)



# ESG Highlights

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**Sustainability  
Report 2022**



# Upcoming Initiatives




# Sustainability Achievements in 2023




**SUSTAINALYTICS**  
a Morningstar company

ESG risk rating:  
“**Low**” risk rating since 2020




**G R E S B**  
★★★★☆ 2023

**4-star** performance rating since 2021  
**A grade disclosure** rating since 2018



**MSCI**  
ESG RATINGS


Upgrade to “**AA**” rating in 2023



**IPE** 公众环境研究中心  
Institute of Public & Environmental Affairs

Green Supply Chain Corporate Information  
Transparency Index (CITI)  
Corporate Climate Action Transparency Index  
(CATI)

**CITI: 20.3**  
(industry ranking: 3<sup>rd</sup> out of 79)  
**CATI: 30.0**  
(industry ranking: 1<sup>st</sup> out of 111)



**FTSE4Good**

ESG Rating: **3.5**  
Percentile ranking: **79**  
A constituent since 2021


Member of

**Dow Jones  
Sustainability Indices**

Powered by the S&P Global CSA


**CSA Score: 66**

Member of Dow Jones  
Sustainability Indices  
S&P Global Sustainability Yearbook  
(Global and China edition) member



**Hang Seng Corporate  
Sustainability Index**  
Series Member 2022-2023

“**AA**” rating since 2020  
Index component since inception  
in 2010



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

**Top 13** in HKBSI  
**Top 14** in Global  
(Asia-Pacific) BSI

# ESG Awards Received in 2023



**Excellence Award in Environment, Social and Governance Reporting**  
2023 HKMA Best Annual Reports Award, Hong Kong Management Association



**Excellence in Environmental Impact – Grand Award**  
**Best ESG Report (Large-cap) – Commendation**  
**Carbon Neutral Award – Commendation**  
2023 Hong Kong ESG Reporting Awards (HERA)



**Bronze Award in the OSH Report Award**  
Hong Kong Occupational Safety and Health Award, Occupational Safety & Health Council



**Hong Kong Sustainability Award**  
Distinction Award (Large Cap)  
Hong Kong Management Association



**Best CG and ESG Awards 2023**  
**ESG Awards – Special Mention**  
Hong Kong Institute of Certified Public Accountants (HKICPA)



**HR Asia Best Companies to Work for in Asia 2023**  
HR Asia



**Sustainable Best Practices of the Year**  
Yicai China Green Point



**2023 Corporate Social Responsibility Model Award**  
12th China Finance Summit



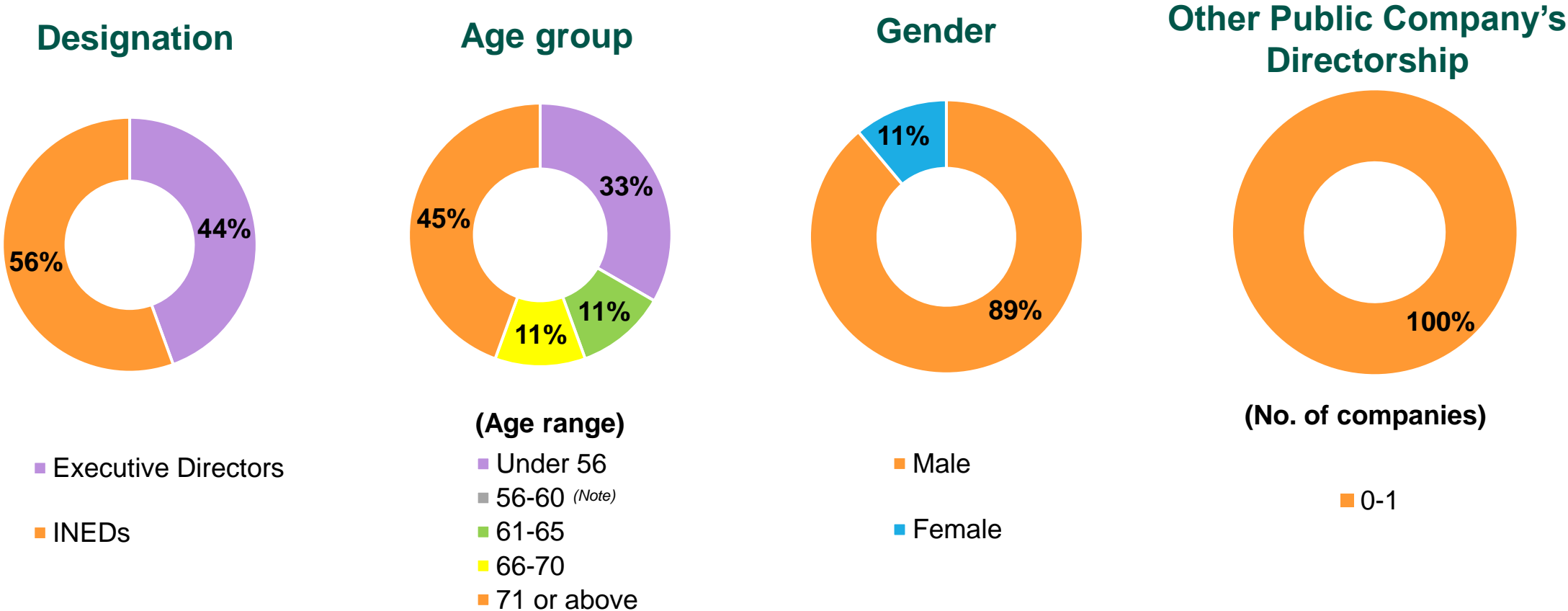
**BREEAM & GRESB Joint Awards – ESG Leadership Awards (HLP)**  
**BREEAM Commercial Award-Leadership (Westlake 66)**  
BRE China awards 2023

# Board Engagement and Diversity

## Highly engaged (as of December 31, 2023)

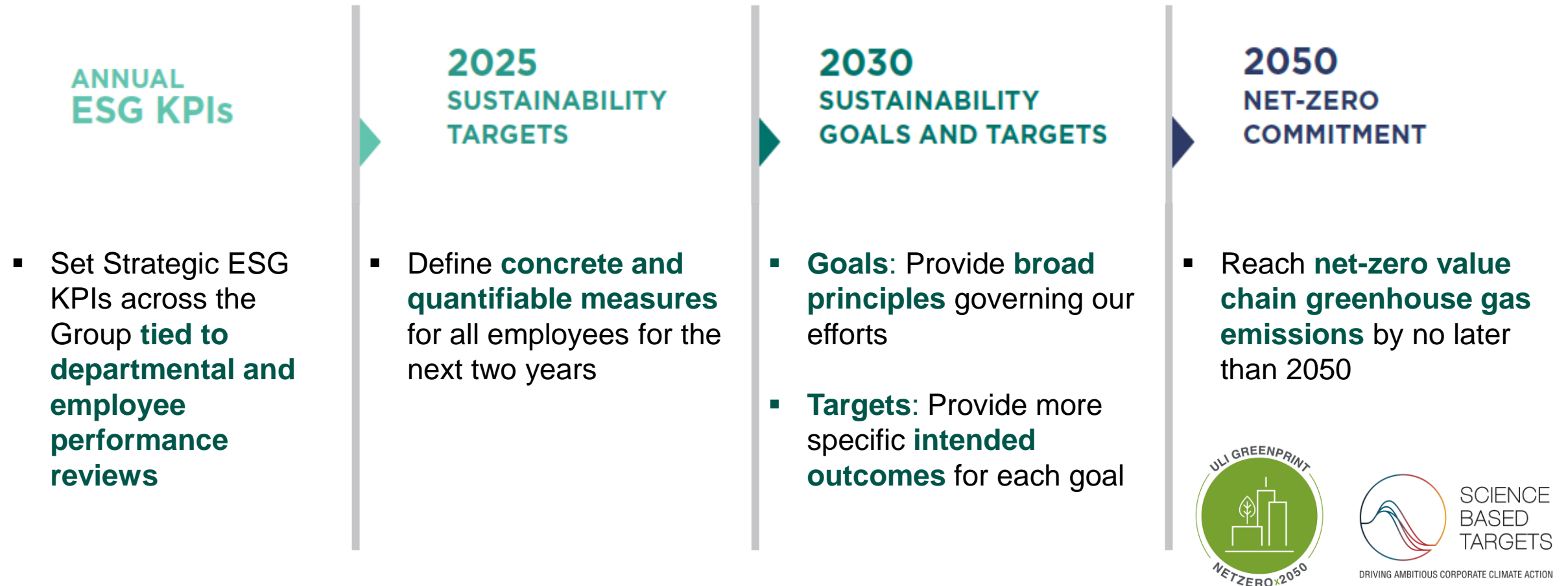
- 6 regular Board meetings/year (100% attendance)
- 4 Audit Committee meetings/year (93% attendance)
- 4 meetings of Audit Committee members with external auditor without the presence of management

## Board diversity of Hang Lung Properties (as of December 31, 2023)



Note: None of the Directors is in this age range

# A Clear Agenda for the Short, Medium and Long Term





# Commitment to SBTi Net-Zero Standard: Net Zero Emissions by 2050

- **First real estate company in Hong Kong and mainland China** to receive approval from the Science Based Targets initiative (SBTi) for its near- and long-term company-wide emissions reduction targets **in line with the SBTi Net-Zero Standard**

	Scope 1 & 2 GHG Emissions	Scope 3 GHG Emissions
<b>Overall Net-Zero Target</b>	Commits to reaching net-zero GHG emissions across the value chain by 2050	
<b>Near-Term Targets</b>	Commits to reducing absolute GHG emissions by 46.6% by 2030 from a 2019 base year	Commits to reducing absolute GHG emissions from purchased goods and services and downstream leased assets by 25% by 2030 from a 2020 base year
<b>Long-Term Targets</b>	Commits to reducing absolute GHG emissions by 99.6% by 2050 from a 2019 base year	Commits to reducing absolute GHG emissions by 99.6% by 2050 from a 2020 base year



# 2030 Sustainability Goals and Targets

- In **December 2020**, we announced our overarching ambition to become one of the most sustainable real estate companies in the world by 2030, supported by **four goals** and **ten targets** to achieve by 2030

## CLIMATE RESILIENCE



### Reduce carbon footprint in line with science

- Demonstrate best efforts to achieve a 70% reduction of scopes 1 and 2 GHG emissions intensity (per m2), compared to 2018 baseline
- Build a nearly net zero carbon building

## RESOURCE MANAGEMENT



### Minimize waste towards a circular economy

- Incorporate circular building principles in new properties
- Implement water management program in all properties
- Divert 90% of operational waste from landfill

## WELLBEING



### Unrivalled health and wellbeing

- Assess wellbeing for all employees and key customers
- Meet or exceed wellbeing standards for new properties
- Work with youth on sustainability solutions in all cities where we have assets

## SUSTAINABLE TRANSACTIONS



### All transactions help advance ESG priorities

- Implement supplier evaluation and ranking system
- Engage all tenants on emissions reduction, resource management, and wellbeing enhancement

# 25 x 25 Sustainability Targets

- Targets are **tied to compensation** through **departmental and individual KPIs** and **semiannual performance reviews**

CLIMATE RESILIENCE	RESOURCE MANAGEMENT	WELLBEING	SUSTAINABLE TRANSACTIONS
<ul style="list-style-type: none"><li>Greenhouse gas (GHG) (scopes 1 and 2) emissions reduction for building operations</li><li>GHG (scope 3) emissions reduction: embodied carbon of property development projects and electricity consumption of tenants</li><li>Technical analysis of climate adaptation measures</li></ul>	<ul style="list-style-type: none"><li>Water efficiency of building operations</li><li>Diversion of operational waste and construction waste from landfill</li><li>Use of recycled, reused and bio-based construction materials</li></ul>	<ul style="list-style-type: none"><li>Employee engagement</li><li>Diversity and inclusion</li><li>Wellbeing-related building certifications</li><li>Occupational health and safety of employees and contractors</li><li>ESG training for our employees</li><li>Wellbeing community initiatives</li></ul>	<ul style="list-style-type: none"><li>Assessment of suppliers on their ESG performance</li><li>Sustainability impacts of marketing events</li><li>Green lease</li><li>Sustainable financing</li><li>ESG due diligence in asset acquisitions</li></ul>

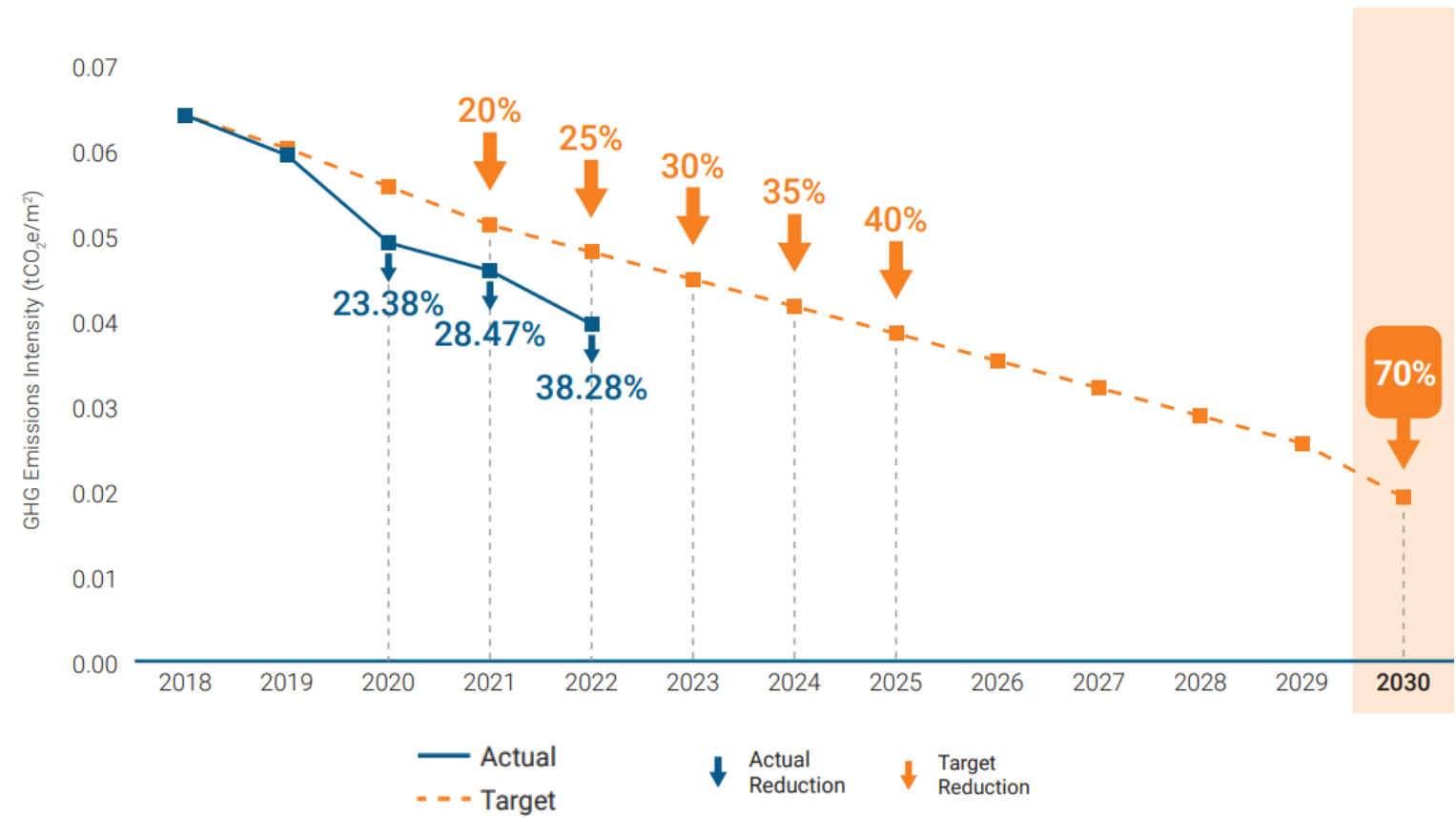
# 28 Strategic ESG KPIs for 2023

- The strategic ESG KPIs **cascade down** to expectations for individual employees and are tied to the semiannual **performance appraisal** process

Climate Resilience (7)	Resource Management (6)	Wellbeing (9)	Sustainable Transactions (5)
<ul style="list-style-type: none"><li>▪ Scopes 1, 2 and 3 GHG emissions reductions</li><li>▪ Renewable energy</li><li>▪ Electric vehicle parking</li><li>▪ Adaptation to physical risks from climate change</li></ul>	<ul style="list-style-type: none"><li>▪ Reduce construction waste</li><li>▪ Increase recycled, reused and bio-based materials</li><li>▪ Improve water use efficiency</li><li>▪ Reduce waste to landfill</li></ul>	<ul style="list-style-type: none"><li>▪ Employee engagement</li><li>▪ Diversity and inclusion practices, policies and training</li><li>▪ Health and wellness building certifications</li><li>▪ Safety practices for construction and operations</li><li>▪ Work with youth on community initiatives</li></ul>	<ul style="list-style-type: none"><li>▪ Digital platform for assessing suppliers on ESG</li><li>▪ Sustainable marketing</li><li>▪ Sustainability provisions in leases</li><li>▪ Increase sustainable finance</li><li>▪ ESG due diligence on potential asset acquisitions</li></ul>
Common Goal (1)			
Every department to propose actions to accelerate Hang Lung’s sustainability progress			

# Scope 1 & 2 GHG Emissions

GHG Emission Intensity (tCO<sub>2</sub>e/m<sup>2</sup>) Reduction Trajectory from 2018 to 2030



## 2022 Progress

Achieved a **38.28%** GHG emissions intensity reduction compared to our 2018 baseline. Further details on the factors contributing to the 38.28% reduction are as follows:

- **16.35%** from energy efficiency and onsite renewable energy,
- **11.22%** (5.81%) from grid decarbonization and (5.41%) Spring City 66’s PPA contribution
- **10.66%** from GHG reductions associated with heating demand, and
- **0.05%** from Scope 1 reductions



**40%** cumulative reduction in **GHG intensity** (kg CO<sub>2</sub>e/m<sup>2</sup>) relative to 2018



Demonstrate best efforts to achieve a **70%** reduction in **scopes 1 and 2 greenhouse gas emissions intensity** (per m<sup>2</sup>), compared to 2018 baseline



# Scope 3 GHG Emissions

## 2022 Progress

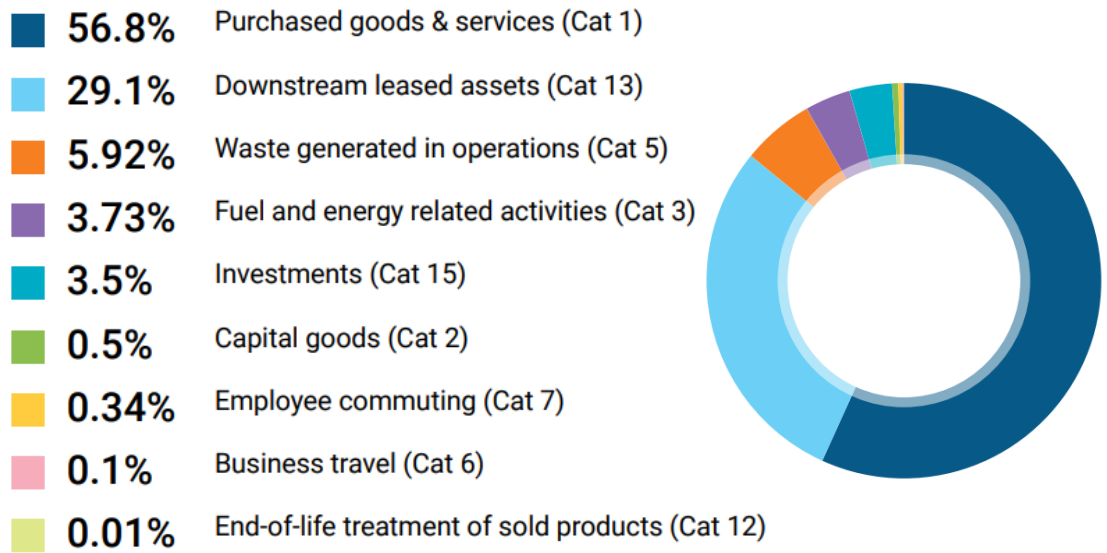
- Refined and enhanced our inventory calculation to develop a more comprehensive Scope 3 emissions disclosure
- Included finance- and investment-related emissions and employee commuting emissions in the accounting boundary
- Developing a 2023-2025 scope 3 **reduction plan**

Source of emissions	2025 target	2025 Target	Actions
Embodied carbon	<ul style="list-style-type: none"><li>▪ Demonstrate best efforts to achieve <b>at least 10% reduction in embodied carbon intensity</b> (kg CO<sub>2</sub>e/m<sup>2</sup>) for new development projects that begin in 2022 or later, compared to typical practice in an equivalent building</li></ul>		<ul style="list-style-type: none"><li>▪ Incorporating <b>low carbon materials</b> into design and construction</li><li>▪ <b>Collaborating with CLEANCO2</b> to explore the feasibility of recycling the concrete waste and to use low carbon building materials to reduce embodied carbon</li></ul>
Tenants' electricity consumption	<ul style="list-style-type: none"><li>▪ <b>15% reduction in GHG intensity</b> (kg CO<sub>2</sub>e/m<sup>2</sup>) from <b>tenants' electricity consumption</b> for our properties in mainland China, relative to 2018</li></ul>		<ul style="list-style-type: none"><li>▪ 100 <b>LVMH stores</b> in our properties aiming to improve energy efficiency</li><li>▪ <b>Renewable energy transactions</b> in Spring City 66 and Parc 66 also reduce tenants' GHG intensity</li></ul>

## Breakdown of Carbon Emissions by Scope in 2022



## Breakdown of Scope 3 Emissions by Category in 2022



# Scope 3 GHG Emissions Update

## Planned Improvements by 2025



### More Granular Measurement & Disclosure

Two more applicable categories from 2023

- Cat 8 - Upstream leased assets
- Cat 11 - Use of sold products



### Examine Blind Spots in Tenant Areas

Go deeper into neglected areas

- Embodied carbon from tenant fitout materials
- Fitout waste and recyclables emissions



### Find More Reduction Opportunities

Engage partners to move forward

- Tenant collaboration
- Supplier engagement and third-party evaluation

# Scope 3 Emissions Update

Enhanced Scope 3 disclosures. Provided a full inventory of our scope 3 emissions for the first time in Sustainability Report 2022

Indicator	Unit	HK			MC			Total																																										
		2020	2021	2022	2020	2021	2022	2020	2021	2022																																								
Gross Indirect emission (Scope 2) - location-based <sup>(12)</sup>	Tonnes CO <sub>2</sub> e	41,406	39,980	38,585	116,838	134,008	145,468	158,244	173,988	184,053																																								
Building operation	Tonnes CO <sub>2</sub> e	41,406	39,980	38,585	Scope 3 Reporting Boundary Scope 3 reporting is based on estimated emissions reflecting the methodologies, and boundaries and sources outlined in the table below.																																													
Gross Indirect emission (Scope 2) - market-based <sup>(13)</sup>	Tonnes CO <sub>2</sub> e	41,406	39,980	38,585																																														
Building operation	Tonnes CO <sub>2</sub> e	41,406	39,980	38,585	<table><tr><th>No.</th><th>Scope 3 Category</th><th>Applicability</th><th>Methodology / Justification for exclusion</th><th>Emission factor data source</th></tr><tr><td>1</td><td>Purchased goods and services</td><td>Yes</td><td>1. Extraction, production and transportation of goods and services purchased or acquired by Hang Lung Properties (excluding embodied carbon)  2. Embodied carbon from development projects. The calculation follows Life Cycle Assessment (LCA) modelling analysis.</td><td>1. Emissions factors for procurement spending (excluding embodied carbon) follow US Environmentally-Extended Input-Output (USEEIO) Models  2. Emissions factors for embodied carbon emissions calculations follow the Ecoinvent database and GB/T 51366-2019 Standard for Building Carbon Emission Calculation</td></tr><tr><td>2</td><td>Capital goods</td><td>Yes</td><td>The emissions are mainly from capital goods expenditure including extraction, production and transportation of goods with high value purchased or acquired by Hang Lung Properties</td><td>Emissions factors from the US Environmentally-Extended Input-Output (USEEIO) Models</td></tr><tr><td>3</td><td>Fuel and energy related activities</td><td>Yes</td><td>Extraction, production and transportation of fuels and energy purchased or acquired by Hang Lung Properties, not already accounted for in scope 1 or scope 2</td><td>Regional scope 3 emission factors. Where regional data is not available, the UK Department for Environment Food and Rural Affairs (Defra) and the Ecoinvent database are adopted as proxy values</td></tr><tr><td>4</td><td>Upstream transportation &amp; distribution</td><td>No</td><td>The transportation and distribution calculation related to building products and materials have been reported in Category 1 from Life Cycle Assessment Reporting</td><td></td></tr><tr><td>5</td><td>Waste generated in operations</td><td>Yes</td><td>The calculation is based on disposal and treatment of waste generated from operations.</td><td>Emissions factors from the Ecoinvent database</td></tr><tr><td>6</td><td>Business travel</td><td>Yes</td><td>Business air travel related emissions are provided by our travel agency  Non-air travel including taxis, cars or public transportation are excluded due to limited availability of reliable data</td><td>Emissions factors are provided by travel agency</td></tr><tr><td>7</td><td>Employee commuting</td><td>Yes</td><td>Emissions related to transportation of all employees between their homes and their worksites. Online survey was carried out to all staff to collect accurate data</td><td>Emissions factors from the UK Department for Environment Food and Rural Affairs (Defra)</td></tr></table>						No.	Scope 3 Category	Applicability	Methodology / Justification for exclusion	Emission factor data source	1	Purchased goods and services	Yes	1. Extraction, production and transportation of goods and services purchased or acquired by Hang Lung Properties (excluding embodied carbon)  2. Embodied carbon from development projects. The calculation follows Life Cycle Assessment (LCA) modelling analysis.	1. Emissions factors for procurement spending (excluding embodied carbon) follow US Environmentally-Extended Input-Output (USEEIO) Models  2. 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4	Upstream transportation & distribution	No	The transportation and distribution calculation related to building products and materials have been reported in Category 1 from Life Cycle Assessment Reporting																																															
5	Waste generated in operations	Yes	The calculation is based on disposal and treatment of waste generated from operations.	Emissions factors from the Ecoinvent database																																														
6	Business travel	Yes	Business air travel related emissions are provided by our travel agency  Non-air travel including taxis, cars or public transportation are excluded due to limited availability of reliable data	Emissions factors are provided by travel agency																																														
7	Employee commuting	Yes	Emissions related to transportation of all employees between their homes and their worksites. Online survey was carried out to all staff to collect accurate data	Emissions factors from the UK Department for Environment Food and Rural Affairs (Defra)																																														
Gross Indirect emission (Scope 3)	Tonnes CO <sub>2</sub> e	77,040	98,362	107,112																																														
Purchased goods & services (Cat 1)	Tonnes CO <sub>2</sub> e	13,766	29,390	31,843																																														
Capital goods (Cat 2)	Tonnes CO <sub>2</sub> e	2,355	1,392	1,096																																														
Fuel and energy related activities (Cat 3)	Tonnes CO <sub>2</sub> e	1,890	1,536	1,409																																														
Waste generated in operations (Cat 5)	Tonnes CO <sub>2</sub> e	4,315	11,436	13,340																																														
Business travel (Cat 6)	Tonnes CO <sub>2</sub> e	85	51	218																																														
Employee commuting (Cat 7)	Tonnes CO <sub>2</sub> e	556	512	455																																														
End-of-life treatment of sold products (Cat 12)	Tonnes CO <sub>2</sub> e	0	0	62																																														
Downstream leased assets (Cat 13)	Tonnes CO <sub>2</sub> e	39,499	41,058	43,293																																														
Investments (Cat 15)	Tonnes CO <sub>2</sub> e	14,573	12,986	15,395																																														



HKEX

香港交易所

Consultation Paper

Enhancement of Climate-related Disclosures Under the Environmental, Social and Governance Framework

April 2023

Invited by HKEX to share our climate disclosure practices alongside MTR and HSBC

28

恒隆地產

HANG LUNG PROPERTIES

# Sustainability Partnership with LVMH

## First-of-Its-Kind Sustainability Partnership Between Landlord and Tenants

- We launched a pioneering and ambitious **three-year partnership with LVMH Group to collaborate on sustainability initiatives** across seven cities in mainland China in October 2022
- Shared costs and resources to advance **20 action areas** each year
- Reimagines relationship between landlords and tenants to one of **deep collaboration on a common agenda**



**26** Leading Luxury Brands

e.g., LOUIS VUITTON, DIOR, LOEWE, BVLGARI, CELINE, CHAUMET, Loro Piana, Moynat, Tiffany & Co

**90+**

Retail spaces

**20** actions in **4** Key areas

Climate Resilience; Resource Management; People and Wellbeing; and Sustainability Governance

**27,000+** square meters

Lettable floor area

### Covers 8 properties in mainland China



**Shanghai**  
Plaza 66  
Grand Gateway 66



**Shenyang**  
Forum 66



**Jinan**  
Parc 66



**Wuxi**  
Center 66



**Dalian**  
Olympia 66



**Kunming**  
Spring City 66



**Wuhan**  
Heartland 66



# Sustainability Partnership with LVMH

## We Co-Created Solutions at our Real Estate & Climate Forum

Our inaugural two-day innovative event in November 2022 generated over 200 ideas for tackling real estate & retail sustainability challenges



### Stakeholder Collaboration

Formed sustainability partnership with five key focus areas



### 96 Changemakers

Actively supported 12 learning paths to elevate discussion



### 200+ Ideas

Proposed by the 96 changemakers to enable action and solve sustainability challenges



### Workshop

### 36 Key Discoveries

Selected and refined by Real Estate & Climate Forum project team as basis for 2023 public actions





# LVMH Common Charter (launched in March 2023)

## 20 Actions to Accelerate Sustainability Progress in 2023

### Climate Resilience

#1	Partner on a pilot for the sharing of tenant energy consumption data
#2	Switch off lights after business hours where feasible
#3	Encourage ideas for efficiency improvements, and give awards for most impactful results achieved in 2023
#4	Include carbon footprint as a factor for review and approval for proposed design of LVMH projects
#5	Define and expand the use of low carbon materials
#6	Share experience and explore renewable energy opportunities
#7	Advance climate adaptation by exchanging information and strengthening preparedness

### People and Wellbeing

#15	Conduct periodic air quality tests, and carry out an outdoor air temperature and quality monitoring pilot scheme in at least one of the properties
#16	Review acoustics levels and identify potential improvements
#17	Collaborate on initiatives to enhance community wellbeing
#18	Develop a shared learning agenda including expanded use of learning materials from 2022 Real Estate & Climate Forum and other resources

### Resource Management

#8	Third party audit of waste and recycling practices from business operations for Plaza 66 and Grand Gateway 66
#9	Collaborate on a recycling project focused on a store renovation in Shanghai
#10	Establish a recycling process for demolition materials
#11	Develop a marketplace for reuse of materials and assets
#12	Implement a biodiversity project at Spring City 66 and/or Westlake 66
#13	Research potential measures to protect birds and prevent bird collisions
#14	Collaborate on a water stress analysis, exchange ideas on water consumption and efficiency, and hold a water management campaign for the public

### Sustainability Governance

#19	Work with Institute of Public and Environmental Affairs (IPE) to strengthen environmental governance, including supply chain due diligence
#20	Exchange information on policies, plans and strategies related to sustainable procurement, including a focus on cleaning products in 2023

# Sustainability Partnership with LVMH

## Also Collaborating with Specific Brands under LVMH Partnership

### Panel on Fashion, Innovation and Circularity

#### – with Stella McCartney

- Evolution of conservation efforts in China
- Purpose-driven innovation in sustainable retail
- Sustainability in real estate including new forms of collaboration



### Panel on Ecology

#### – with Moët Hennessy Diageo

- Current ecological issues
- Ecological restoration and balance in cities
- Biodiversity-related initiatives in real estate

# Building a Tenant Partnership Program

Building on our sustainability partnership with LVMH, we are developing a **Tenant Partnership Program** to invite more tenants to collaborate on sustainability. The program will address important sustainability issues in the built environment with the following objectives:

Objectives

1

## Collaboration

Enhancing collaboration between tenants and landlords to drive sustainability actions and promote continuous improvement

2

## Impact

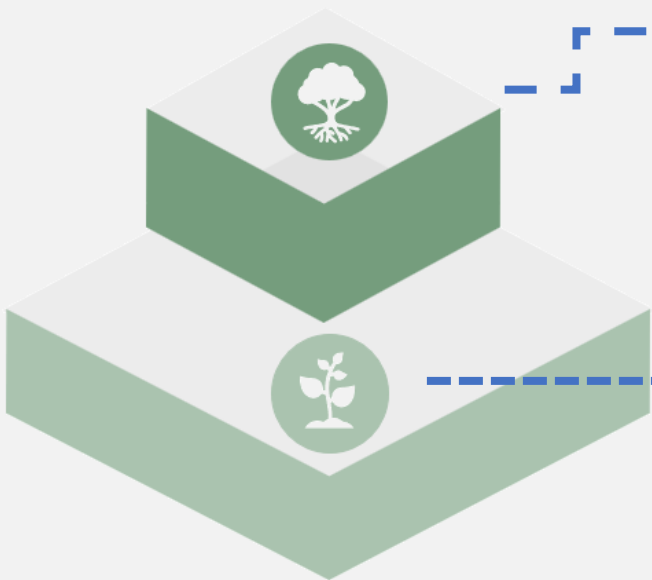
Creating meaningful impacts with stakeholders to support long-term business sustainability

3

## Recognition

Recognizing tenants who demonstrate outstanding efforts in both environmental and social sustainability actions

## 2-Tier Recognition Program



### Advanced

Requirement:  
Achieve 6 out of 8  
actions

### Foundational

Requirement:  
Achieve 6 out of 8  
actions

# Changemakers: Tenant Partnerships on Sustainability

	Category	No.	Foundational	Advanced
Climate Resilience	Energy measurement	#1	<ul style="list-style-type: none"> <li>Share monthly energy consumption data</li> <li>Participate in energy benchmarking</li> </ul>	<ul style="list-style-type: none"> <li>Share monthly energy data as well as data from submeters</li> <li>Participate in energy benchmarking</li> </ul>
	Energy performance	#2	Implement at least 3 energy efficiency measures	Implement at least 3 energy efficiency measures as well as achieve annual electricity/overall energy intensity levels below target levels
	Embodied carbon	#3	Participate in at least 1 training session on embodied carbon	Conduct embodied carbon calculation for fit-outs/renovations according to a third-party standard; share findings for benchmarking
Resource Management	Water	#4	Implement at least 1 water-saving fixture/device	Implement at least 2 water-saving fixtures/devices
	Waste management and circularity	#5	Provide dedicated recycling facilities for: (Hong Kong) at least 3 waste categories; (Mainland China) food waste and recyclables	Achieve as at left as well as share data from at least 1 recycling /circularity initiative and provide weight data from recycling
Wellbeing	Indoor environmental quality	#6	Implement regular cleaning for HVAC filters/diffusers	Implement at least 1 indoor air quality (IAQ) improvement measure
	Community wellbeing	#7	Participate in and share data from at least 1 community wellbeing initiative	Participate in and share data from at least 2 community wellbeing initiatives
Others	Co-Creation	#8	At least 1 other ESG initiative proposed by either party and agreed by both parties	At least 1 other ESG initiative proposed by either party and agreed by both parties
Benchmark for Recognition			Achieve <u>6 out of 8</u> actions	Achieve <u>6 out of 8</u> actions

# Sustainable Procurement & Supplier Engagement Plan 2023-25

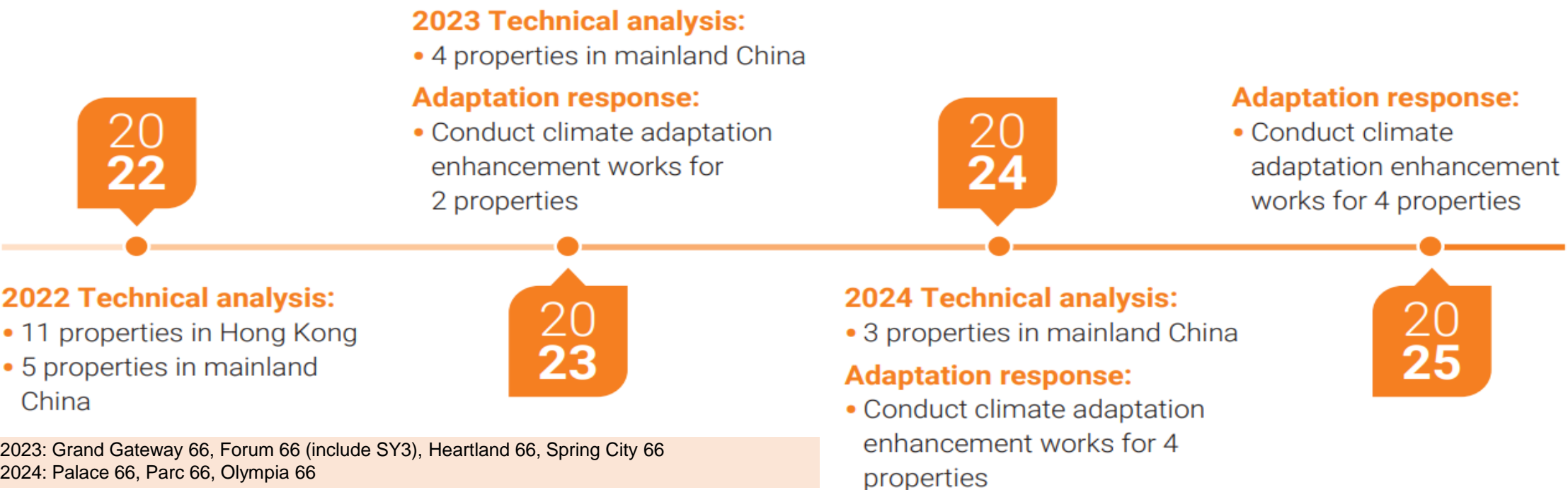
## Priority tasks in the next two years





# Climate Adaptation Roadmap to 2050

## Adaptation Roadmap to 2025



### 2022 Progress

- Conducted **climate hazard and vulnerability assessment and adaptation strategies** for five Mainland properties and ten HK existing properties and Shouson Hill in 2022-2023

### Plans

- Conduct the assessment for other mainland China and Hong Kong properties as well as construction projects by 2025



**Complete technical analysis for climate adaptation measures for all properties**



# Climate Adaptation

## Our program goes beyond assessments from climate models

- We analyze risks from flooding, typhoon and extreme rain, heat waves and rain-induced landslides and will cover 100% of mainland China properties and core properties in Hong Kong by 2024
- Our analysis of risks starts with a climate hazard exposure analysis from climate models
- But we also work with an engineering consultancy to do a deeper assessment of risks and adaptive capacity. The assessment is backed by thorough engineering and operational knowledge of our properties and their surroundings
- The work includes a detailed survey including 50+ questions for each property to identify specific asset enhancement opportunities (e.g., MEP, façade) and deeper dives for selected properties



Example of an adaptation measure:  
Installation of a barrier between the airduct  
and chilled water pipe riser and external louver

# Climate Adaptation

## Case Study: Riverside 66, Tianjin

- We conduct a **deep dive analysis** for properties that have a **higher residual risk** to identify risk reduction measures
- Our Riverside 66 property in Tianjin is **highly exposed to flooding risks** and was affected by heavy rainfall events in recent years, after which we added adaptation measures

## Continual Improvement and Enhancement

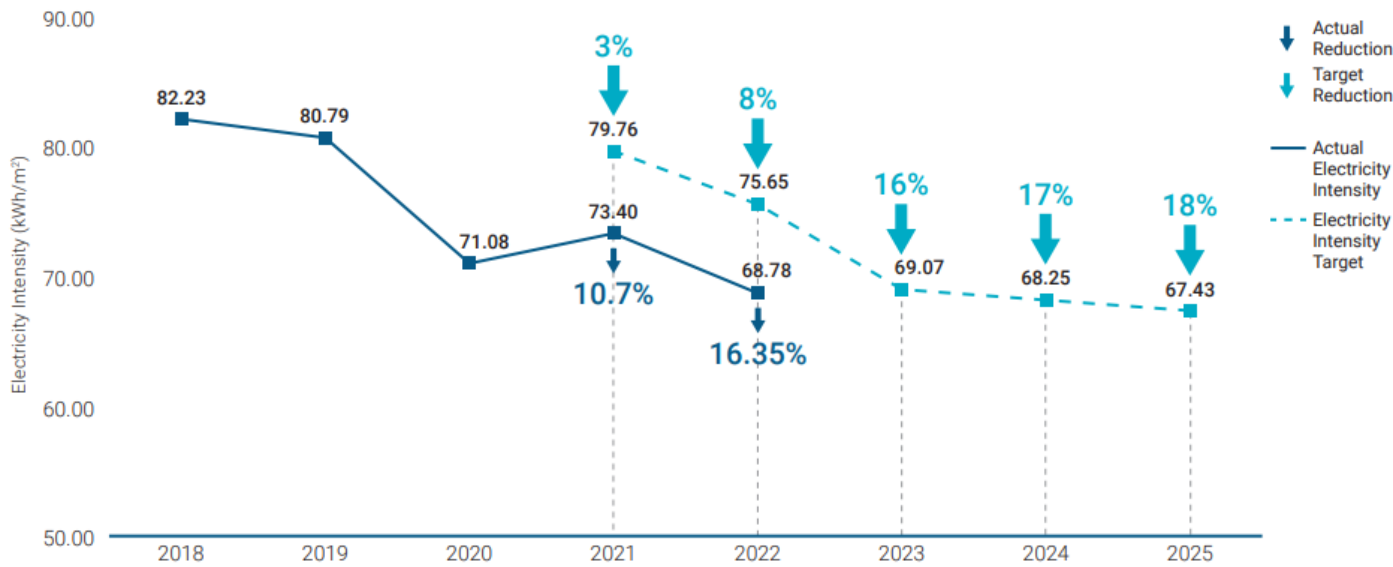
- While our analysis confirmed that Riverside 66 **has good existing measures in place**, we also identified **26 enhancement** works at Riverside 66. These measures may entail significant avoided future costs
- Key recommendations include water collection pans, flood sensors (in transformer rooms and lift cars), floor drains, flood defense and drainage channel in basement
- The property will evaluate implemented recommendations to further enhance the adaptation plan





# Electricity Intensity Reduction

Electricity intensity reduction from 2018-2022



## Key internal measures

### Retro-Commissioning

2022: five mainland properties  
2023: eleven Hong Kong properties

### Use of passive radiative cooling paint

Adopted cooling paint on the roof of the Gala Place lift machine room to reflect solar irradiance

### AI Pilot

Use of AI diagnosis and smart operation reminder functions at Center 66 Office Tower 2

## Case study:

### High Efficiency Heat Pump Installation at Conrad Shenyang at Forum 66



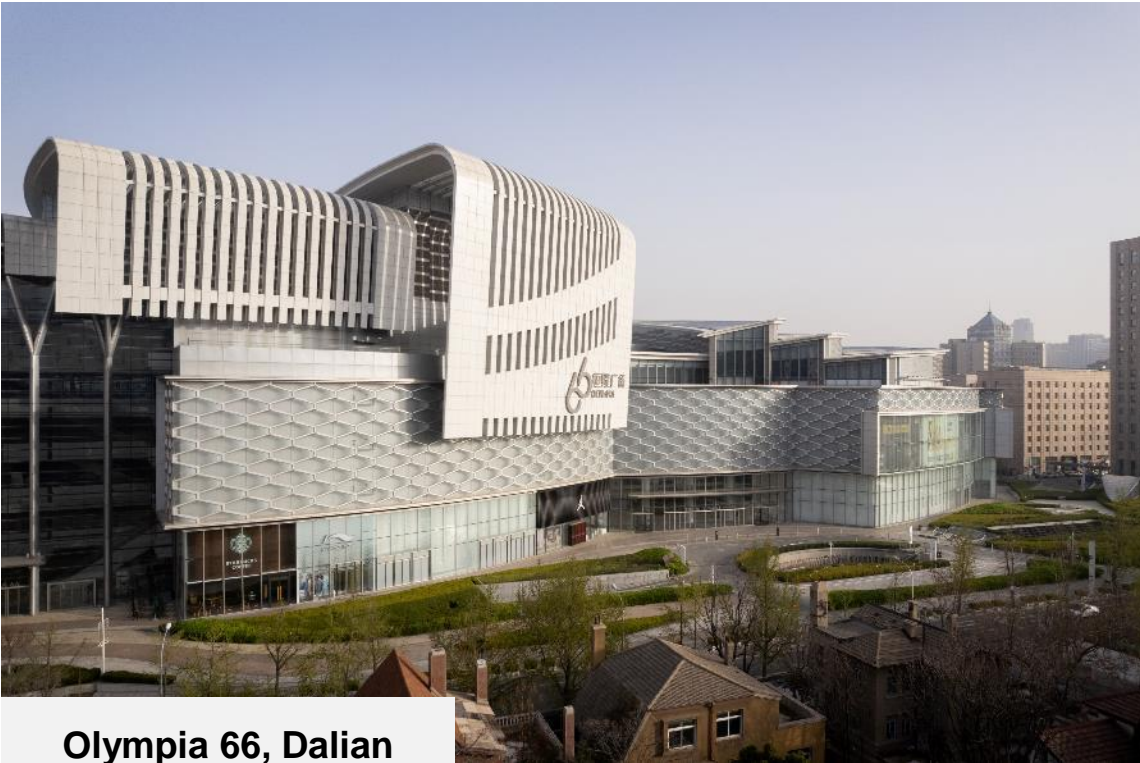
Since the system's deployment in June 2022, substantial savings have been achieved: around **100,000 kWh of electricity** and **25,000 m³ of natural gas** saved during cooling days; and an **additional 5,000 m³ of natural gas** saved on heating days

2025 Target

**18% cumulative reduction in electricity intensity (kWh/ m²) relative to 2018**

# Resource Management Plan – Water Management

## WATER MANAGEMENT



- Hong Kong** • Conducted feasibility study to install **highly efficient water restrictors** and **water recycling facilities**
- Mainland** • Installed **highly efficient water restrictors** at three Mainland properties
  - Concluded to prioritize **AC condensate water recycling and fire service system water recycling**
  - Identified **water recycling opportunities** at four Mainland properties

# Resource Management Plan – Biodiversity

## BIODIVERSITY

- Hong Kong**
- **Baseline flora and fauna survey:** conducting survey at Peak Galleria to identify opportunities for ecological conservation
- Mainland**
- **Biodiversity study:** conducted study for our development project Westlake 66 – identified suggestions for building habitat for Chinese Bulbul
  - **Biodiversity guidelines:** Developed a guide for Mainland development projects
  - **Bird collision survey:** collecting bird collision data during two bird migratory seasons to prevent bird collision



**Peak Galleria,  
Hong Kong**



# Green Building Certifications



~80% construction floor area certified to LEED / BEAM Plus Gold or above

Received **40** green building certifications or pre-certifications

- **34** LEED Platinum/Gold certifications
- **4** BEAM Plus Existing Building certifications
- **1** BEAM Plus New Building certification
- **1** CGBL



## Pre-certifications



Westlake 66 in Hangzhou

### Hangzhou – Westlake 66

- **LEED Platinum:** Office Tower 1 & 2
- **LEED Gold:** Shopping Mall, Tower 3, 4 & 5, Hotel
- **CGBL Three-star:** entire project
- **BREEAM Excellent:** entire project (under preparation)

### Wuxi – Center 66 (Phase 2)

- **LEED Gold:** Tower 1, 2 & Hotel

### Kunming – Spring City 66 (Phase 2)

- **LEED Gold:** Serviced Apartment & Hotel

### Wuhan – Heartland 66

- **LEED Gold:** Serviced Apartment 1-3

### Hong Kong

- **LEED Platinum:** 228 Electric Road Office Tower
- **BEAM Plus Gold:** The Aperture



The Aperture in Hong Kong



# Wellness Certifications



- Nearly **64%** of the total construction floor area (for both existing properties and projects under development) is certified with or has applied for **WELL and WELL Health and Safety Rating**
- Planning to expand WELL HSR coverage

## Certified

- **WELL Platinum rating:** Plaza 66 in Shanghai
- **WELL HSR:** all Mainland malls and offices, Standard Chartered Bank Building in Hong Kong

## Pre-certified

- **WELL Gold rating:** 228 Electric Road in Hong Kong

## Under assessment

- **WELL Platinum:** Westlake 66 in Hangzhou



- Obtain **local or international health and wellness certification** for **all our existing Mainland properties**
- Obtain **WELL Gold certificate or equivalent** for at least **one new property** in Hong Kong and mainland China



# Sustainability Learning

## 2025 Target

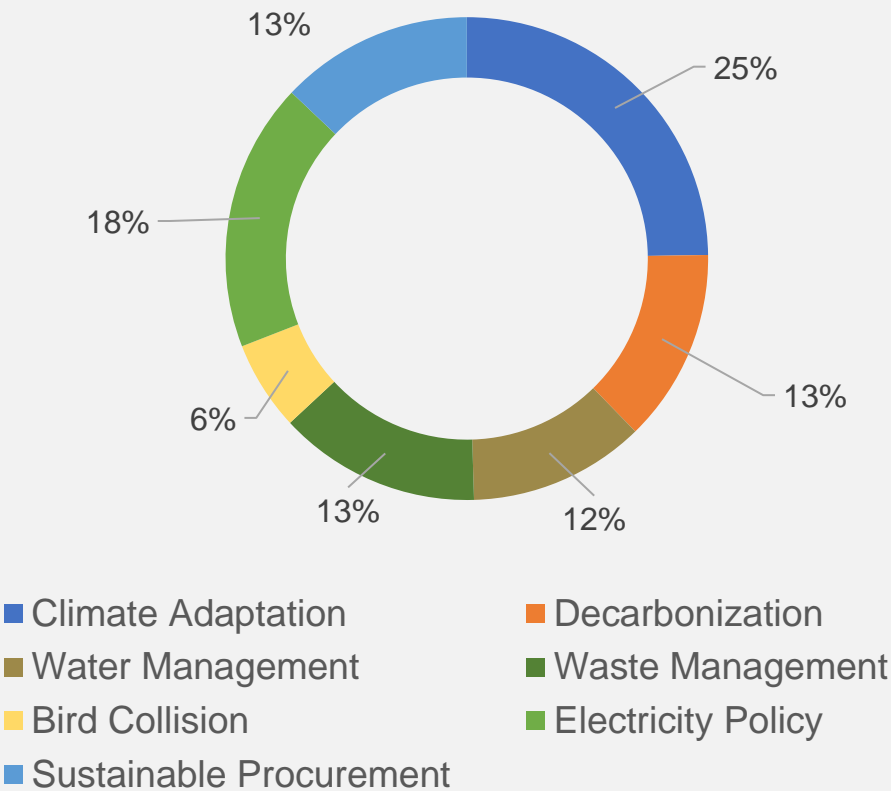
Deliver priority ESG training targeted to all departments and seniority levels

## 2023 ESG KPI

**500 hours** of ESG training for specific departments including 100 hours focused on delivering climate-related competencies

2023 progress: achieved **600+** hours of training

## Department-specific training by topics



# Health & Safety Program

## GOVERNANCE



- Established a Health and Safety Subcommittee
- Met twice a year to share best practices and lessons learned across all aspects of our business

## TRAINING



- 2023 ESG KPI: Provide health and safety training to 100% of employees in mainland China and Hong Kong
- Rolled out company-level health and safety training to all employees

## EDUCATION



- Launched a series of workplace safety activities at our Hong Kong and Mainland properties to promote a safer and healthier working environment during “Safe Production Month” in June 2023

# Sustainability Learning – Selected Examples



Renewable energy policy developments and electricity price projections



Water management and water stress



Sustainable procurement



Net-zero



# Community Investment

## Hang Lung Mathematics Awards (HLMA)

- Founded in 2004, the biennial HLMA aims to empower secondary school students in Hong Kong to **realize their creative potential** in mathematics and sciences
- Over **2,600 students from 200 schools** have participated. Hang Lung Properties donates **HK\$2.5 million** to each competition.
- The tenth HLMA Presentation Ceremony was held in Dec 2023



## Hang Lung Future Women Leaders Program

- A **nationwide community investment project** in mainland China and Hong Kong
- **Empowers women's development** and reinforces Hang Lung's commitment to **promoting diversity and inclusion and wellbeing in the community**
- **75%** of participants are the **first in three generations** of their families to attend university
- We are also measuring the **programs' social impact** with reference to **Business for Societal Impact's (B4SI)** framework

**180**

Female university students  
from 23 provinces/cities

A group of female university students are posing for a photo on a stage. They are holding certificates and trophies. The background features a banner for the Hang Lung Future Women Leaders Program.

**43**

Elite mentors  
with diversified background

A group of elite mentors are posing for a photo on a stage. They are holding certificates and trophies. The background features a banner for the Hang Lung Future Women Leaders Program.

**6,300**

Leadership training  
and mentorship hours

A group of participants are posing for a photo on a stage. They are holding certificates and trophies. The background features a banner for the Hang Lung Future Women Leaders Program.

# Community Investment

## The Hang Lung Scholarship and Development Donation for the Visually Impaired

- Partnered with the Ebenezer School & Home for the Visually Impaired to set up the scholarship
- The fund aims to **support the holistic development of students and graduates** of the School in pursuing their studies and career development



## Hang Lung x HKYWCA “Love-No-Limit” Dementia Friendly Program

- A three-year scheme to **offer support to dementia patients and their carers** since 2021
- The program provides **dementia friends training** for 300 frontline staff so that they can offer appropriate assistance to those in need in their daily work



## Hang Lung As One volunteer teams

- **Over 1,500** active volunteers
- Continued to organize volunteer activities under various themes every month
- Enhanced Volunteer Leave Policy and established an annual volunteer recognition scheme



Job shadowing activities for mentees under the Strive to Rise Programme



# Community Investment

**Chair Mr. Ronnie Chan awarded the Grand Bauhinia Medal (GBM),** the highest honor bestowed, by the Government of the Hong Kong Special Administrative Region

- The honor is given in recognition of his long and distinguished community service, particularly his dedication and significant contributions in developing and supporting Hong Kong's external relations, and promoting the development of tertiary education in Hong Kong and in nurturing talents
- Chair Mr. Ronnie Chan has also devoted great efforts in the promotion of cultural exchanges and conservation of cultural heritage. As a successful entrepreneur, Mr. Chan has made exemplary efforts in driving the economic development of Hong Kong



**Chair Mr. Ronnie Chan awarded the 2018 Dwight D. Eisenhower Global Leadership Award**  
by the Business Council for International Understanding



The Dwight D. Eisenhower Global Awards Gala

- Chair Mr. Ronnie Chan was honored for his role as a business-statesman and his life-long commitment to philanthropy, the advancement of education, as well as building bridges in the pursuit of global stability
- Tributes from the late U.S. President George H.W. Bush and former U.S. Secretary of State Dr. Henry A. Kissinger were read out at the gala

**Chair Mr. Ronnie Chan awarded the Rockefeller Award**  
by International House



The International House 2018 Awards Gala

- Chair Mr. Ronnie Chan was honored with the Rockefeller Award for Distinguished Philanthropic Service

# Community Investment

## Rebuilding of Jianfu Palace Garden & The Hall of Rectitude Complex in Beijing

- Projects funded by the China Heritage Fund, a non-profit organization created by Chair Mr. Ronnie Chan to preserve and restore Chinese cultural relics



The Hall of Rectitude Complex –  
Rebuilt completed in Nov 2012



Jianfu Palace Garden –  
Rebuilt completed in Nov 2005

## Hang Lung Center for Real Estate, Tsinghua University, Beijing

- The Hang Lung Center for Real Estate serves as an academic platform for quality research, grooms talents in the areas of housing policy and security, land management and urban development, and provides research backup to the government in formulating policy



Inauguration ceremony in Apr 2010



# Chan Family's Philanthropy

## Harvard T.H. Chan School of Public Health

- The Morningside Foundation, founded by Chair Mr. Ronnie Chan and Non-Executive Director of Hang Lung Group Dr. Gerald Chan, made an unrestricted gift of USD350 million to Harvard University to support its School of Public Health
- At the time, it was the largest single gift Harvard has ever received
- In commemoration of the late Mr. T.H. Chan, founder of the Hang Lung Group, and the transformative donation made by his family, the Harvard School of Public Health has been renamed the Harvard T.H. Chan School of Public Health



Unveiling ceremony of Mr. T. H. Chan's portrait in May 2015



Gift announcement ceremony in Sep 2014

## University of Southern California

- Chair Mr. Ronnie Chan and his wife Mrs. Barbara Chan made a USD20 million gift to the occupational science and occupational therapy program at the University of Southern California (USC), the first naming gift and the largest ever made to any occupational therapy program in the history of the field
- In honor of Mrs. T.H. Chan, mother of Chair Mr. Ronnie Chan, the division has been renamed the USC Mrs. T.H. Chan Division of Occupational Science and Occupational Therapy



Gift announcement ceremony in Sep 2014

## MIT Morningside Academy for Design

- The Morningside Foundation made a gift to MIT to create a new hub for cross-disciplinary education, research, and innovation across MIT
- The Academy will encourage design work at MIT to grow and cross disciplines. It will strengthen MIT's ongoing efforts to tackle pressing issues of global importance, such as climate adaptation, public health, transportation, and civic engagement

# Sustainable Finance



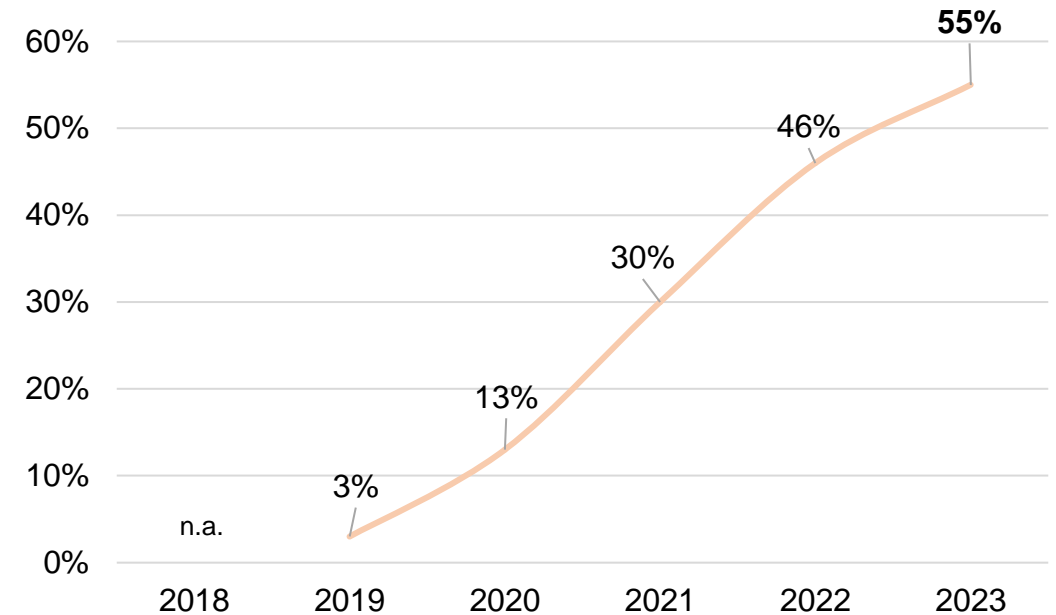
## Sustainable Finance

- Arranged Sustainable finance amounting to **HK\$36.4 billion** as at December 31, 2023
- Accounted for **55%** of total debts & available facilities (as of December 31, 2023, for HLP)

## Sustainable Finance Framework

- Launched the [Hang Lung Group Sustainable Finance Framework](#) (the “SFF”) in January 2023 to:
  - a) extend coverage to the wider Group;
  - b) cover a wider range of financing instruments; and
  - c) extend the scope of the eligible investments to include social projects.

Sustainable finance reached **55%** of HLP’s total debts and available facilities in 2023



**50%** of total debts and available facilities from sustainable finance

# CRM Highlights

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**EXPERIENCE**

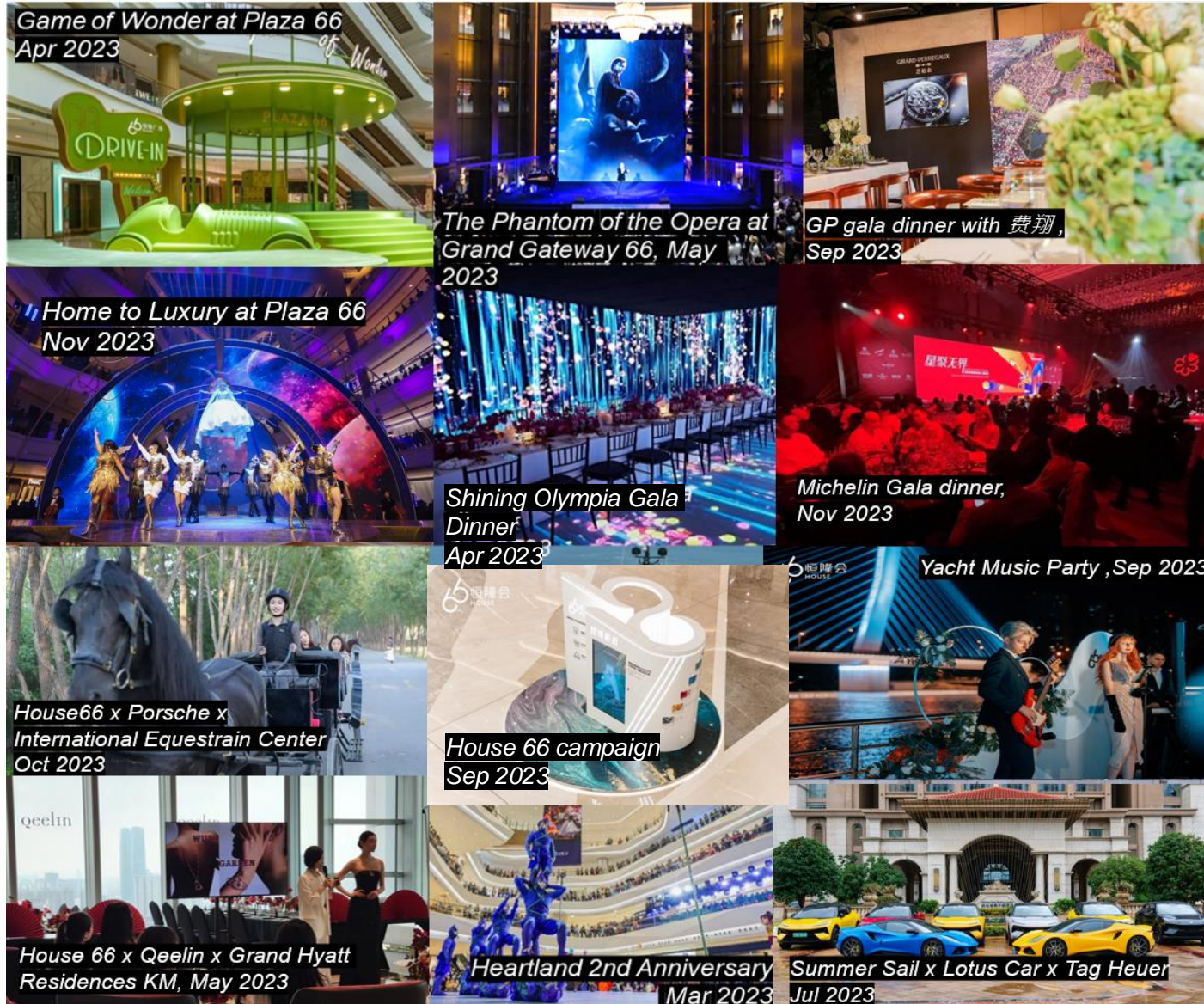
**EXCLUSIVENESS**

**ENGAGEMENT**

# HOUSE 66 – Build Hang Lung Branded Experience

Spanning 10 Hang Lung projects in eight cities across *Mainland China*

## EXPERIENCE



## EXCLUSIVENESS

### Exclusive Privilege Highlights

- VIP lounge
- Valet parking
- Hands-free service
- Dedicated parking space
- Personalized birthday parties
- 3<sup>rd</sup> party partnership privileges with wine & spirits, hotels & banks

**Fairmont**  
WUHAN  
武汉泛海费尔蒙酒店

**Hilton**  
DALIAN  
大连富力希尔顿酒店

**SHANGRI-LA**  
JINAN  
济南香格里拉

**THE SHANGHAI EDITION**

**MHD**  
MOËT HENNESSY DIAGEO

**GRAND HYATT**  
DALIAN  
大连君悦酒店

**AMERICAN EXPRESS**

**MANDARIN ORIENTAL**  
PUDONG SHANGHAI

**CONRAD**  
SHENYANG  
沈阳康莱德酒店

## ENGAGEMENT

### Bespoke Member Engagement Specialist Service

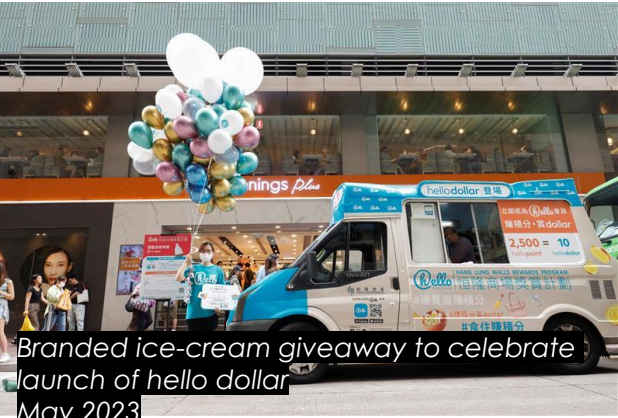
- Styling service and recommendations
- Appointments with brands
- Pre-order of sought-after products
- Priority bookings at top restaurants



# hello – Build Hang Lung Branded Experience

## Offering bespoke shopping experiences to customers in Hong Kong

### MEMBER ENGAGEMENT



### PROGRAM OFFERING

- Launch of **hello dollar** in May 2023
- Launch of **hello mini program** in Aug 2023
- Weekly **hello Thursday** limited offers
- Sales promotions & exclusive privileges with key tenants
- **Tourist-focused** offerings



### PARTNERSHIP



# Mainland China Portfolio

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# Luxury Malls in Shanghai



## Plaza 66 @ Shanghai

↑24% YoY

2023 Tenant Sales

100% (same vs end-22)

Mall Occupancy



## Grand Gateway 66 @ Shanghai

↑30% YoY

2023 Tenant Sales

99% (same vs end-22)

Mall Occupancy

Note: Occupancy rate as at Dec 31, 2023 and end-22 refers to Dec 31, 2022



# Luxury Malls outside Shanghai



## Center 66 @ Wuxi

↑19% YoY

2023 Tenant Sales

98% (↓1% vs end-22)

Mall Occupancy



◀ Opened in Jan 2024



## Olympia 66 @ Dalian

↑29% YoY

2023 Tenant Sales

90% (↑1% vs end-22)

Mall Occupancy



# Luxury Malls outside Shanghai



100%  
Powered by  
Renewable  
Energy

## Spring City 66 @ Kunming

↑8% YoY

2023 Tenant Sales

98% (↑3% vs end-22)

Mall Occupancy



## Heartland 66 @ Wuhan

↑20% YoY

2023 Tenant Sales

82% (↓4% vs end-22)

Mall Occupancy

Note: Occupancy rate as at Dec 31, 2023 and end-22 refers to Dec 31, 2022

# Luxury / Sub-luxury Malls outside Shanghai



**Forum 66** @ Shenyang

↑9% YoY

2023 Tenant Sales

81% (↓6% vs end-22)

Mall Occupancy



**Palace 66** @ Shenyang

↑44% YoY

2023 Tenant Sales

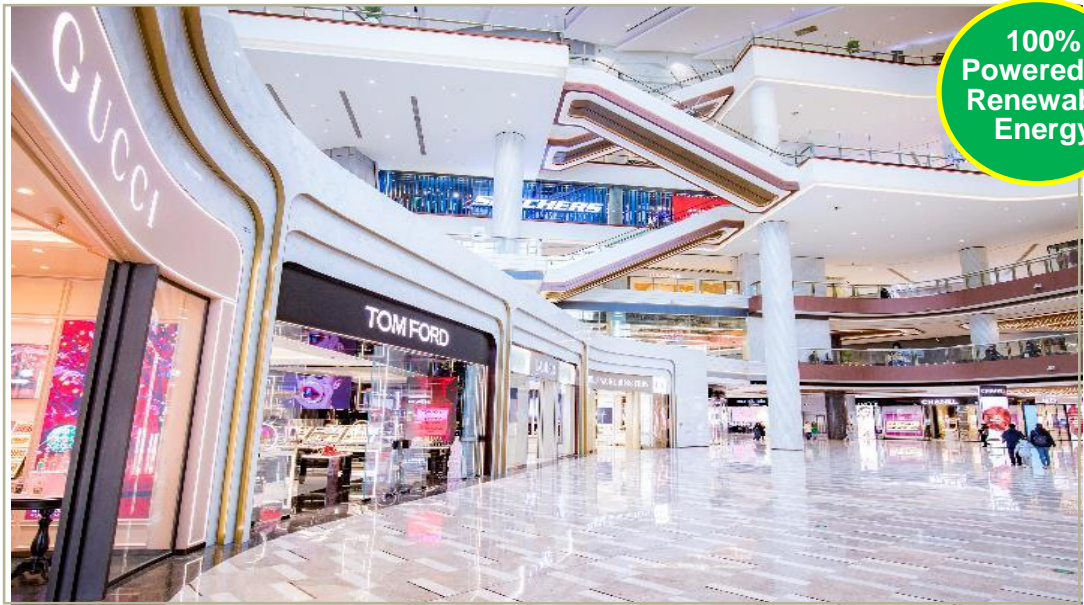
90% (↑9% vs end-22)

Mall Occupancy

Note: Occupancy rate as at Dec 31, 2023 and end-22 refers to Dec 31, 2022



# Sub-luxury Malls Outside Shanghai



100%  
Powered by  
Renewable  
Energy

## Parc 66 @ Jinan

↑25% YoY

2023 Tenant Sales

93% (↑3% vs end-22)

Mall Occupancy



## Riverside 66 @ Tianjin

↑41% YoY

2023 Tenant Sales

90% (↑10% vs end-22)

Mall Occupancy

Note: Occupancy rate as at Dec 31, 2023 and end-22 refers to Dec 31, 2022



# Mainland China Office Portfolio

## Plaza 66

📍 Shanghai



## Forum 66

📍 Shenyang



## Center 66

📍 Wuxi



## Spring City 66

📍 Kunming



## Heartland 66

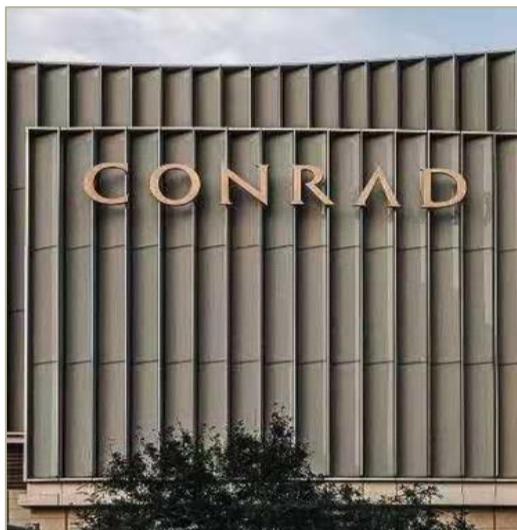
📍 Wuhan



Office Occupancy	96% (same vs end-22)	89% (↓2% vs end-22)	85% (same vs end-22)	88% (same vs end-22)	76% (↑3% vs end-22)
Other Features		<ul style="list-style-type: none"><li>Conrad Shenyang</li></ul>	<ul style="list-style-type: none"><li>HANGOUT</li></ul>	<ul style="list-style-type: none"><li>Modular office</li></ul>	<ul style="list-style-type: none"><li>HANGOUT</li><li>Modular office</li></ul>

Note: Occupancy rate as at Dec 31, 2023 and end-22 refers to Dec 31, 2022

# Mainland China Hotel Portfolio



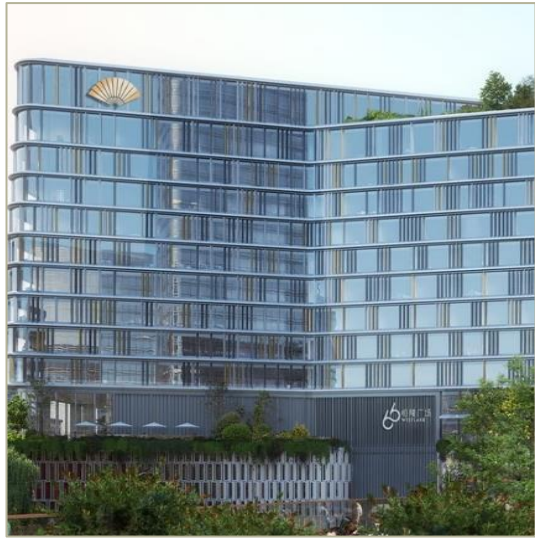
**Conrad Shenyang**  
(at Forum 66)



**Grand Hyatt Kunming**  
(at Spring City 66)



**Curio Collection by Hilton**  
(at Center 66)



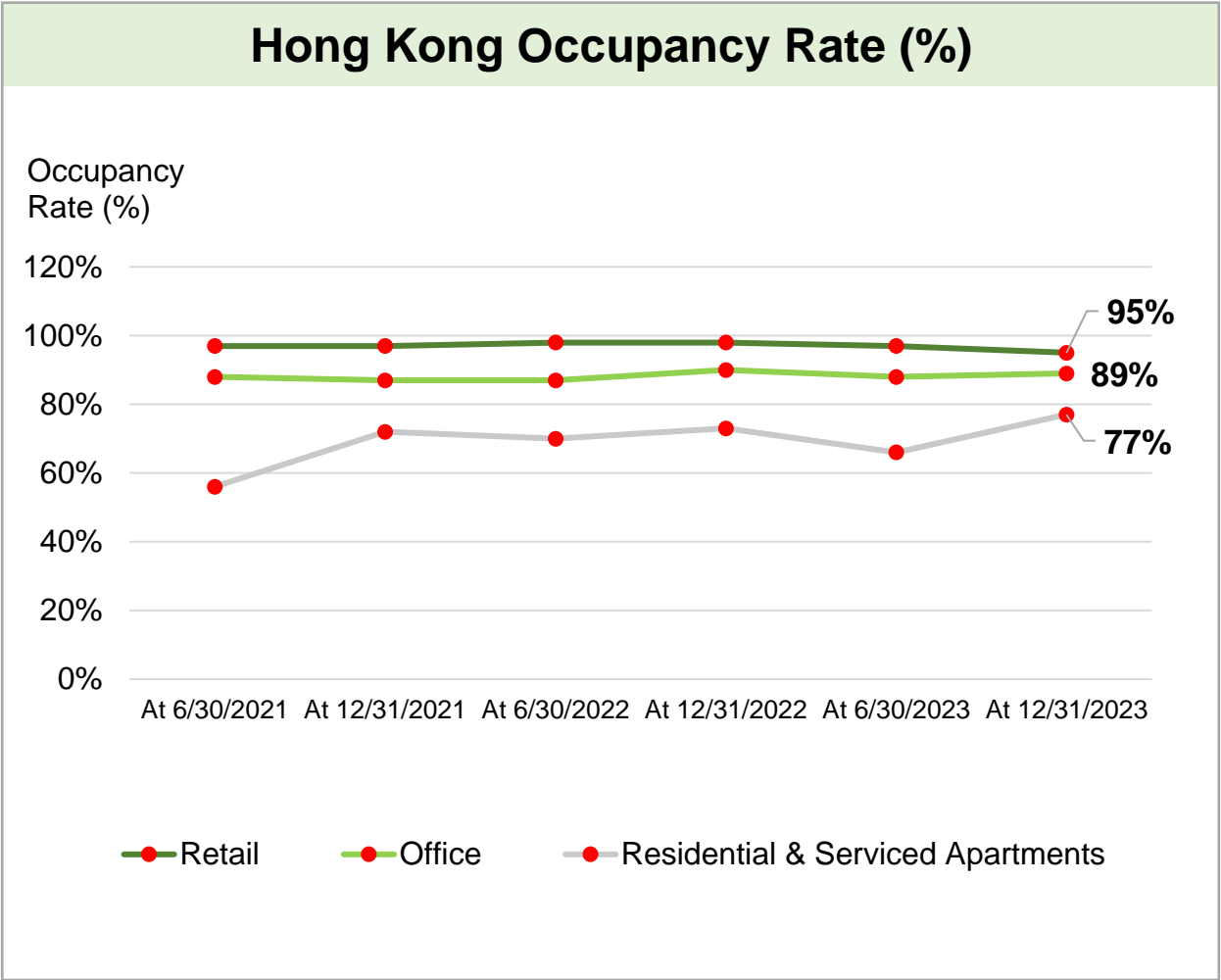
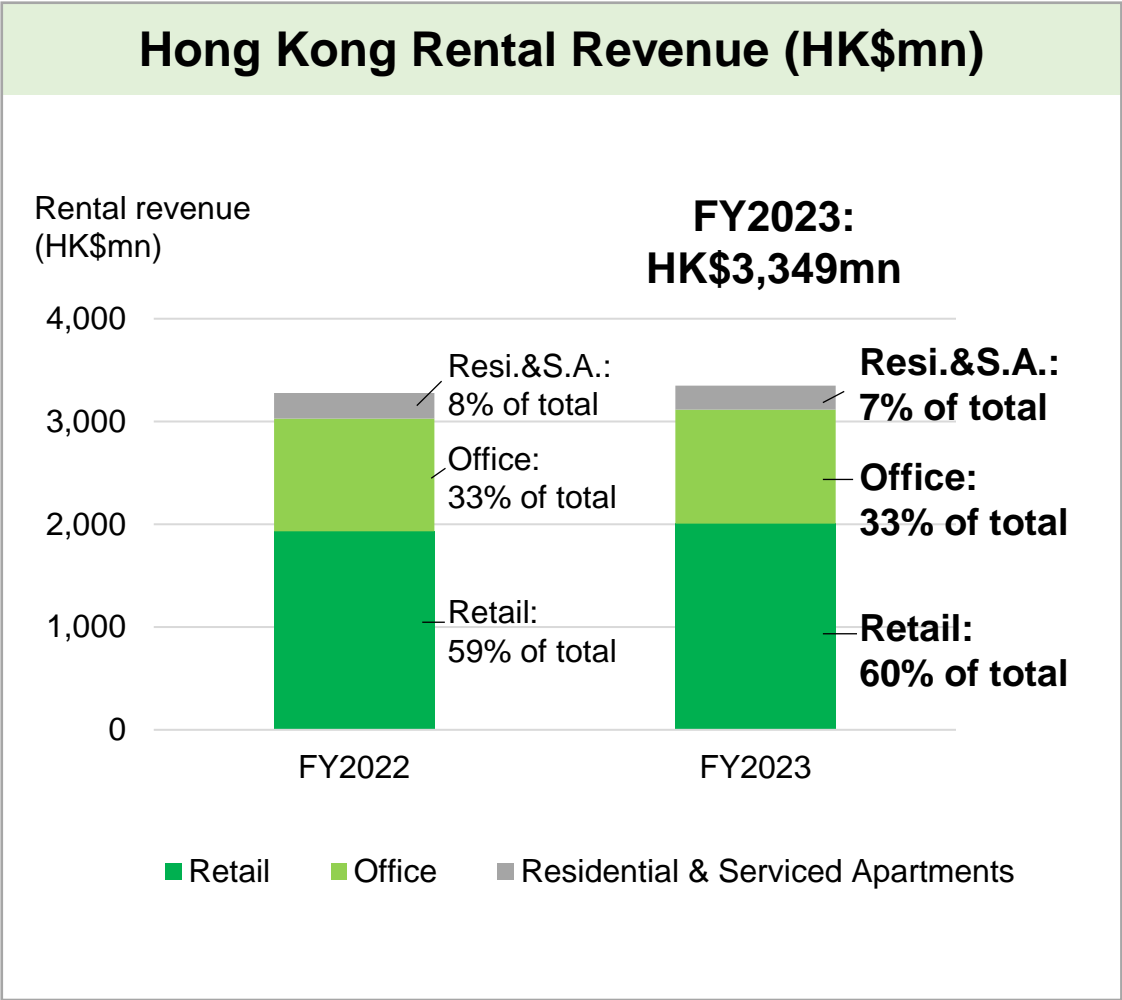
**Mandarin Oriental Hangzhou**  
(at Westlake 66)

Note: The photographs, images, drawings or sketches shown in this section represent an artist’s impression of the development concerned and is for reference only.

# Hong Kong Portfolio

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# Hong Kong Rental Performance





# Hong Kong Investment Properties

## Central Portfolio

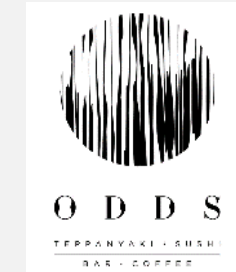
- Comprising 4 office buildings with a diversified tenant profile
- Form a thriving fine-dining hub in Central



### Formed a fine-dining hub



New F&B opened in 2H23 in 1 Duddell Street





# Hong Kong Investment Properties

## Causeway Bay Portfolio

- An elite shopping destination featuring numerous internationally renowned fashion, beauty, and lifestyle brands



New F&B opened in 2H23 in Fashion Walk

## Peak Galleria

- A tourist landmark, with pet-friendly features to attract local pet lovers



- A variety of F&B and entertainment offerings



# Hong Kong Investment Properties

## Mongkok Portfolio

- Continued to solidify the area's position as the place "Where Trends Meet"



Gala Place



Grand Plaza

## Amoy Plaza

- A one-stop community hub in Kowloon East



## Kornhill Plaza / Kornhill Apartments

- A community mall in Quarry Bay offering the largest Japanese department store in HK





# Hong Kong Investment Properties

**228 Electric Road, North Point** completed in 1H 2023



- Grade A office tower / Retail area on podium floors
- Commence to generate revenue in May 2023



Scan to view  
the website



Note: The photographs, images, drawings or sketches shown in this section represent an artist's impression of the development concerned and is for reference only.



# Hong Kong Residential Properties (Investment Properties)

## Burnside Villa @ Southern District



- Total no. of units: 56 units

## The Summit @ Mid-Levels



- Total no. of units: 54 duplex suites
- Renovation commenced in Sep 2023

# Development Projects

---

# Launching Pipeline: Serviced Apartments in Mainland China & HK Residential

Pipeline	2021-2022	2023	2024	2025 +
<b>Mainland China</b>				
<b>Heartland Residences</b>	<ul style="list-style-type: none"> <li>Topped-out (2021)</li> </ul>	<ul style="list-style-type: none"> <li>Completion certificates obtained in Oct</li> </ul>		
<b>Grand Hyatt Residences Kunming</b>	<ul style="list-style-type: none"> <li>Topped-out (2022)</li> </ul>		<ul style="list-style-type: none"> <li>Targeted completion</li> </ul>	
<b>Center Residences</b>		<ul style="list-style-type: none"> <li>Topped-out</li> </ul>		<ul style="list-style-type: none"> <li>Targeted completion</li> </ul>
<b>Forum Residences</b>				<ul style="list-style-type: none"> <li>Targeted completion</li> </ul>
<b>Hong Kong</b>				
<b>The Aperture</b>			<ul style="list-style-type: none"> <li>Targeted completion</li> </ul>	
<b>Shouson Hill Road Redevelopment</b>	<ul style="list-style-type: none"> <li>General building plan approved (2022)</li> <li>Land acquisition completed (2021)</li> </ul>			<ul style="list-style-type: none"> <li>Targeted completion</li> </ul>



# Mainland China Serviced Apartments

## Heartland Residences



📍 **Qiaokou District**

**492**  
Total no. of units

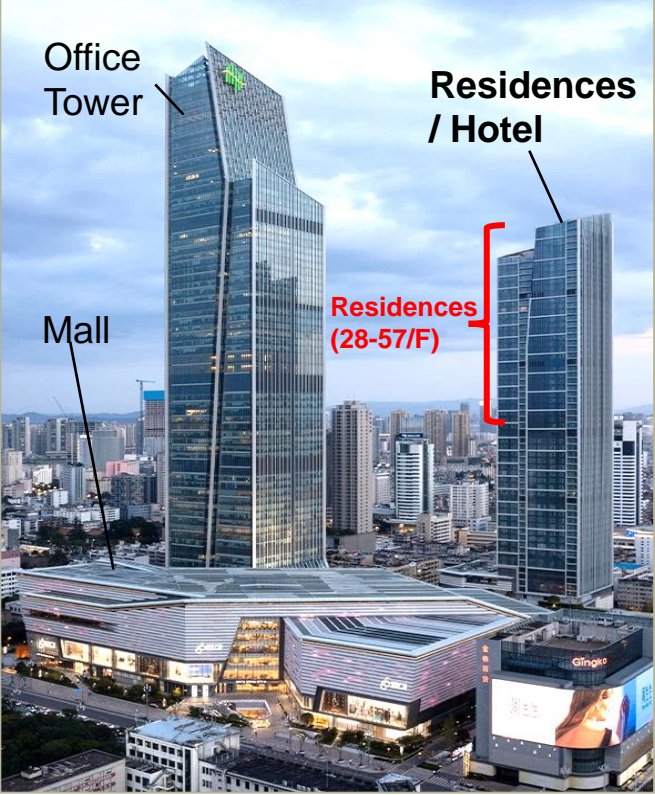
**2023**  
Completion



- Completion certificates were obtained in **Oct 2023**
- Pre-sale of **Tower 3** in progress



## Grand Hyatt Residences Kunming



📍 **Panlong District**  
(the central business and commercial hub of Kunming)

**254 apartments**  
including  
**3 premium penthouses**  
Total no. of units

**2024**  
Targeted completion



- Pre-sale launched in **Oct 2023**
- Luxury show flat unveiled





# Mainland China Serviced Apartments

## Center Residences



📍 Liangxi District

**573**  
Total no. of units

**2025**  
Targeted completion



## Forum Residences



📍 Shenhe District

Comprises **part of the Forum 66** development

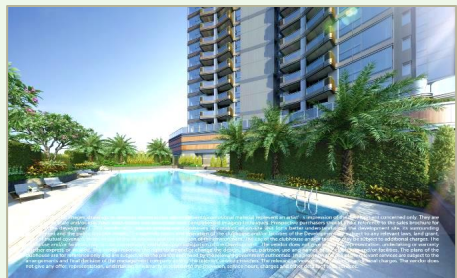
Design and planning works are underway

**2028+**  
Targeted completion

# Hong Kong Residential at Prime Locations

## For Sale

**The Aperture** (targeted completion in 1H2024)



**23-39 Blue Pool Road** (Completed)



## For Sale

**Shouson Hill Road Redevelopment**  
(under development)



• Approx. **47,397 sq ft** total GFA

## Investment Properties

- **The Summit**
- **Burnside Villa**

- Investment Properties
- Properties for Sale



# Hong Kong Residential (under development)

## The Aperture



THE APERTURE 樓盤效果圖

📍 Kowloon Bay

294  
Total no. of units

168 unsold units  
as at Dec 31, 2023

2024  
Targeted completion



- Pre-sale launched in 2021



## Shouson Hill Road Redevelopment



📍 Southern District

Approx. 47,397 sq ft  
Total GFA

General building plan  
was approved in  
Aug 2022

# Hong Kong Residential (completed)

23-39 Blue Pool Road



📍 Happy Valley

**8 semi-detached houses for SALE**  
**2 semi-detached houses for LEASE**

No. of unsold units  
as at Dec 31, 2023

**4,571 – 4,599 sq ft**  
Saleable area per unit

- **3 floors plus roof floor**
- **5 luxury en-suites**
- **Private elevator and garage**

Project Details





# Mainland China Projects Under Development



	<b>Spring City 66</b> 📍 Kunming	<b>Westlake 66</b> 📍 Hangzhou	<b>Center 66</b> 📍 Wuxi	<b>Forum 66</b> 📍 Shenyang
<b>Location</b>	Dongfeng Dong Road, Panlong District	Bai Jing Fang, Gongshu District	Renmin Zhong Road & Jiankang Road, Liangxi District	Qingnian Street, Shenhe District
<b>Land use right signed</b>	Nov 2011	May 2018	Dec 2006 / May 2009	Aug 2006
<b>Usage</b>	Mall, Office, Hotel, Apartments for Sale	Mall, Office, Hotel	Mall, Office, Hotel, Apartments for Sale	Mall, Office, Hotel, Apartments for Sale
<b>All-in investment cost (Land + Construction)</b>	RMB12bn	RMB16bn	RMB9bn	RMB18bn
<b>Land cost</b>	RMB 3.5bn	RMB 10.7bn	RMB 1.1bn	RMB 0.9bn
<b>Total gross floor area</b>	6.7mn sq ft	4.2mn sq ft	5.6mn sq ft	12.6mn sq ft
- Completed	5.6mn sq ft	-	4.0mn sq ft	5.3mn sq ft
- Under Development	1.1mn sq ft	4.2mn sq ft	1.6mn sq ft	7.3mn sq ft
<b>Completion Year</b>	2019 – 2024	2024 onwards	Phase 1: 2013 - 2019 Phase 2: 2025	2012 – 2028 onwards

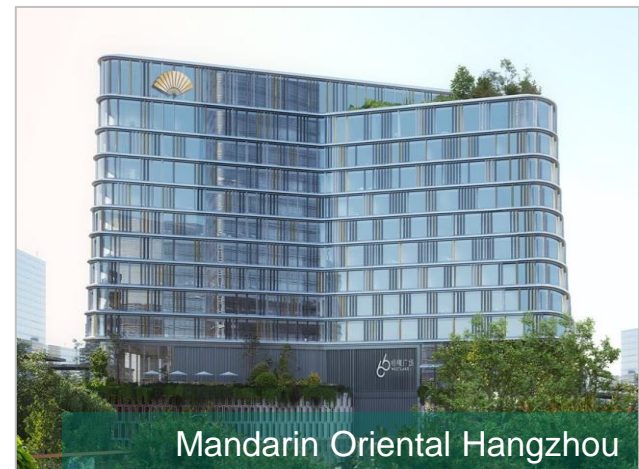
Note: The photographs, images, drawings or sketches shown in this section represent an artist's impression of the development concerned and is for reference only



# Westlake 66 in Hangzhou

Completion by phases from 2024 onwards

Location	Bai Jing Fang, Gongshu District
Usage	A retail podium, five Grade A office towers, and Mandarin Oriental Hangzhou
Total gross floor area	Total: 4.2mn sq ft Retail: 0.8mn sq ft Office: 1.0mn sq ft Hotel: 0.3mn sq ft Carparks and others: 2.1mn sq ft
No. of car parking spaces	2,253
Targeted completion	2024 onwards



# Appendix

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# HLP - Mainland China Rental Revenue Breakdown

Year ended December 31, 2023

		Rental Revenue (RMB mn)			
Name of project	City	Mall	Office	Hotel	Total
<u>Luxury malls</u>					
Plaza 66	Shanghai	1,755	668	-	2,423
Grand Gateway 66	Shanghai	1,213	-	-	1,213
Forum 66	Shenyang	96	126	139	361
Center 66	Wuxi	446	117	-	563
Olympia 66	Dalian	272	-	-	272
Spring City 66	Kunming	305	140	-	445
Heartland 66	Wuhan	251	110	-	361
<u>Sub-luxury malls</u>					
Palace 66	Shenyang	158	-	-	158
Parc 66	Jinan	315	-	-	315
Riverside 66	Tianjin	152	-	-	152
Total		4,963	1,161	139	6,263

## • Mall Rental Revenue (YoY change)

Plaza 66 mall ↑10% YoY	Grand Gateway 66 mall ↑6% YoY
Forum 66 mall ↓1% YoY	Center 66 mall ↑12% YoY
Olympia 66 mall ↑19% YoY	Spring City 66 mall ↑7% YoY
Heartland 66 mall ↑8% YoY	Palace 66 mall ↓2% YoY
Parc 66 mall ↑4% YoY	Riverside 66 mall ↓5% YoY



# Hang Lung Properties – Financial Highlights

(HK\$mn)	1-12/2023			1-12/2022		
	Property Leasing	Property Sales	Total	Property Leasing	Property Sales	Total
<b>Revenue</b>	<b>10,316</b>	<b>-</b>	<b>10,316</b>	10,031	316	10,347
- Mainland China	<b>6,967</b>	<b>-</b>	<b>6,967</b>	6,752	-	6,752
- Hong Kong	<b>3,349</b>	<b>-</b>	<b>3,349</b>	3,279	316	3,595
<b>Operating Profit / (Loss)</b>	<b>7,441</b>	<b>(52)</b>	<b>7,389</b>	7,166	87	7,253
- Mainland China	<b>4,749</b>	<b>(44)</b>	<b>4,705</b>	4,554	(51)	4,503
- Hong Kong	<b>2,692</b>	<b>(8)</b>	<b>2,684</b>	2,612	138	2,750
<b>Underlying Net Profit / (Loss) *</b>	<b>4,177</b>	<b>(40)</b>	<b>4,137</b>	4,135	64	4,199
Net change in fair value of Properties #	<b>(167)</b>	<b>-</b>	<b>(167)</b>	(363)	-	(363)
<b>Net Profit / (Loss)</b>	<b>4,010</b>	<b>(40)</b>	<b>3,970</b>	3,772	64	3,836
<b>Margin</b>	<b>72%</b>	n.a.		71%	28%	
- Mainland China	<b>68%</b>	n.a.		67%	n.a.	
- Hong Kong	<b>80%</b>	n.a.		80%	44%	

\*Exclude changes in fair value of properties, net of related income tax and non-controlling interests

#Net of related income tax and non-controlling interests

# Hang Lung Properties – Financial Position

(HK\$mn)	31/12/2023	31/12/2022
Investment Properties	169,046	167,861
- Mainland China	107,219	107,934
- Hong Kong	61,827	59,927
Investment Properties under development	23,610	22,703
Properties for sale	14,223	11,668
Cash and bank deposits	5,352	5,229
Total Borrowings	50,704	45,524
Net Debt	45,352	40,295
Net Debt to Equity Ratio	31.9%	28.1%
Total Assets	217,302	212,688
Shareholders' equity	132,408	133,381
Net Assets Attributable to Shareholders Per Share (HK\$)	\$29.4	\$29.6

- As of Dec 31, 2023, total cash and available facilities amounted to HK\$38,653M, including available facilities of HK\$33,301M
- Total secured **HK\$36.4B** in **sustainable finance**, accounted for **55%** of total debts and available facilities

# Hang Lung Group – Financial Highlights

(HK\$mn)	1-12/2023			1-12/2022		
	Property Leasing	Property Sales	Total	Property Leasing	Property Sales	Total
<b>Revenue</b>	<b>10,879</b>	<b>2</b>	<b>10,881</b>	10,625	316	10,941
- Mainland China	<b>7,399</b>	-	<b>7,399</b>	7,218	-	7,218
- Hong Kong	<b>3,480</b>	<b>2</b>	<b>3,482</b>	3,407	316	3,723
<b>Operating Profit / (Loss)</b>	<b>7,844</b>	<b>(50)</b>	<b>7,794</b>	7,596	87	7,683
- Mainland China	<b>5,051</b>	<b>(44)</b>	<b>5,007</b>	4,886	(51)	4,835
- Hong Kong	<b>2,793</b>	<b>(6)</b>	<b>2,787</b>	2,710	138	2,848
<b>Underlying Net Profit / (Loss) *</b>	<b>2,953</b>	<b>(22)</b>	<b>2,931</b>	2,964	38	3,002
Net change in fair value of Properties #	<b>(120)</b>	-	<b>(120)</b>	(284)	-	(284)
<b>Net Profit / (Loss)</b>	<b>2,833</b>	<b>(22)</b>	<b>2,811</b>	2,680	38	2,718
<b>Margin</b>	<b>72%</b>	n.a.		71%	28%	
- Mainland China	<b>68%</b>	n.a.		68%	n.a.	
- Hong Kong	<b>80%</b>	n.a.		80%	44%	

\*Exclude changes in fair value of properties, net of related income tax and non-controlling interests

#Net of related income tax and non-controlling interests



# Hang Lung Group – Financial Position

(HK\$mn)	31/12/2023	31/12/2022
Investment Properties	177,458	176,381
- Mainland China	113,835	114,648
- Hong Kong	63,623	61,733
Investment Properties under development	23,610	22,703
Properties for sale	14,244	11,689
Cash and bank deposits	6,343	5,785
Total Borrowings	50,693	45,953
Net Debt	44,350	40,168
Net Debt to Equity Ratio	28.6%	25.9%
Total Assets	231,452	226,534
Shareholders' equity	94,360	92,819
Net Assets Attributable to Shareholders Per Share (HK\$)	\$69.3	\$68.2

- As of Dec 31, 2023, total cash and available facilities amounted to HK\$42,494M, including available facilities of HK\$36,151M
- Total secured **HK\$38.0B** in **sustainable finance**, accounted for **55%** of total debts and available facilities

# Investment Property Portfolio: HLG

Note: Properties held via HLP are excluded from this session



	<b>9 Wing Hong Street</b> 📍Cheung Sha Wan, <b>HK</b>	<b>Luen Cheong Can Centre</b> 📍Tuen Mun, <b>HK</b>	<b>Tai Hing Gardens</b> 📍Tuen Mun, <b>HK</b>	<b>Grand Gateway 66</b> 📍Puxi, <b>Shanghai</b>
Usage	<ul style="list-style-type: none"> <li>Office</li> </ul>	<ul style="list-style-type: none"> <li>Office</li> </ul>	<ul style="list-style-type: none"> <li>Retail portion</li> </ul>	<ul style="list-style-type: none"> <li>Office Tower I &amp; Serviced Apartments</li> </ul>



	<b>228 Electric Road</b> 📍North Point, <b>HK</b> (Jointly developed with <b>HLP</b> )	<b>Citygate</b> 📍Tung Chung, <b>HK</b> (HLG's shareholding: 26.67%*)
Usage	<ul style="list-style-type: none"> <li>Grade A office tower / Retail area on podium floors</li> </ul>	<ul style="list-style-type: none"> <li>Mixed-use development with retail, office &amp; hotel</li> </ul>

\*HLG's shareholding increased from 20% to 26.67% by acquired additional 6.67% interests at a consideration of HK\$879 million on March 31, 2022

# Grand Gateway 66, Above Xujiahui Subway Station, Puxi, Shanghai

	Rental Revenue (Year ended Dec 31, 2023)	Occupancy (at Dec 31, 2023)
Office Tower I	RMB240mn ↓ 4% YoY	86%
Residential & Serviced Apartments	RMB148mn ↓ 1% YoY	89%
Mall (held via HLP)	RMB1,213mn ↑ 6% YoY	99%





# Thank You

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