



Against the backdrop of uncertainties relating to the US-China trade dispute, RMB depreciation, the socio-political conditions and the recent outbreak of the novel coronavirus in Hong Kong, we maintained prudent but optimistic towards our property leasing business as a whole. While the current epidemic would have an adverse impact on our near-term financial performance, the organic growth of our Mainland retail portfolio and contributions from new properties are expected to drive revenue growth in the medium to long term.

The repatriation of luxury spending will continue to benefit our malls in mainland China. Our Mainland portfolio has gathered pace in bolstering its roll of luxury tenants. The opening of new shops by luxury brands will continue well into 2020 and beyond, in both existing properties including Plaza 66 and Grand Gateway 66 in Shanghai, Center 66 in Wuxi, and Olympia 66 in Dalian, as well as extending to new projects such as Spring City 66 in Kunming and Heartland 66 in Wuhan.

The roll-out of our nationwide CRM program, HOUSE 66, provides further opportunities for collaboration with tenants on the strength of quality data mining to become increasingly customer focused.

In order to engage with our shoppers, office workers, and their clients more directly, we commit ourselves to staying ahead in technology-assisted customer experience and improving service in malls, car parks, and other touchpoints.

Depending on market conditions, we will continue to sell down the residential inventory in Hong Kong and to unlock value from non-core properties.

On the property development side, the two redevelopment projects in Hong Kong have already commenced. On the Mainland, we intend to sell luxurious serviced apartments in our four mixed-use projects. Construction work for serviced apartments in our Wuhan project has started, while construction at our Wuxi, Kunming and Shenyang projects is set to begin in phases.

As the Company is celebrating its 60 years of establishment in 2020, we will continuously look for opportunities to expand its portfolio in Hong Kong and mainland China, ultimately delivering sustainable value to our shareholders and stakeholders.