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**We will continue to look for opportunities to sell completed residential properties and dispose of some non-core properties in Hong Kong to unlock value from our property portfolio, depending on market conditions.**

### Market Landscape

Hong Kong's residential property market was dampened especially in the first half of 2020, with transactions and prices falling as the COVID-19 pandemic has taken a toll on the economy and kept Mainland buyers away. Discounting by developers and low interest rates helped revive activity in the second half, although sentiment remained cautious amid concerns over the China-U.S. trade dispute and socio-economic uncertainties. The luxury end of the market remained resilient with capital values generally flat as buyers adopted a wait-and-see stance.

### Business Overview

Our property sales in Hong Kong focuses primarily on luxury residential projects. In September 2020, the Company won the tender for a land site at 37 Shouson Hill Road in the Southern District of Hong Kong Island at a price of HK\$2,566 million.

During the reporting year, the Company sold the last remaining unit at The Long Beach, a high-end development of eight towers of apartments in southwest Kowloon offering spectacular sea views, with the duplex bringing in HK\$62 million. We also disposed of certain non-core investment properties in Hong Kong in December 2020, including 44 car parking spaces at AquaMarine and The Long Beach. The transactions will be completed in the first half of 2021.