

Review of Operations Outlook



Barring unforeseen circumstances, our Mainland portfolio is expected to continue to grow and record another solid performance in 2022. We will persist in capturing the favorable market sentiment with more luxury brands joining our malls along with strategic marketing initiatives through HOUSE 66. The steady leasing pace of our new office towers will carry forward into 2022, driving up the overall occupancy and contributions of our office portfolio.

In Hong Kong, we expect the road to recovery to be a strenuous journey and dependent on the various restrictions and measures relating to the containment of COVID-19. We will continue to capture local consumption and overcome the challenges ahead by optimizing our tenant mix, retaining quality tenants, and enhancing our customer engagement.

For the property sales segment, we expect the demand for high-end residential properties in mainland China to remain strong. Hang Lung Residences, our premium serviced residences brand in Wuhan, Wuxi, and Shenyang, and our hotel-branded residences in Kunming, are dedicated to demonstrating the Group's commitment to enriching the lives of the communities we serve by building a sustainable future together. Those will further enrich the total offerings and enhance the premium positioning of our overall portfolio. We will launch the pre-sale of our Heartland Residences in Wuhan in the first half of 2022, followed by our Center Residences in Wuxi from the end of 2022.

Our redevelopment projects in Hong Kong are making headway. The response from The Aperture pre-sale since December 2021 has been positive. We will continue to look for opportunities to sell development properties and dispose of non-core assets in Hong Kong to support capital recycling into new projects with higher returns.