



Outlook

In view of the Trade War, we maintain a cautiously optimistic view towards both the Hong Kong and Mainland property leasing markets.

While we aim to drive sustainable growth of the established properties in both Hong Kong and Mainland, Shanghai Plaza 66 will continue to attain healthy rental growth. The progressive completion of the renovation at Shanghai Grand Gateway 66 and the opening of new properties in Kunming (retail and office tower), Wuxi (the second office tower) and Shenyang (hotel) on the Mainland will drive revenue to a higher level.

In 2019, we will focus more on our customer-centric initiatives in terms of strategic leasing and the sequential launch of HOUSE 66, our customer relationship management program, across the portfolio. HOUSE 66 was successfully launched in September 2018 at Shanghai Plaza 66 and in December 2018 at Jinan Parc 66. Tenants at both properties greeted the program with a high degree of enthusiasm, increasing membership registrations and spending by members.

We will continue to watch, keep pace with, or stay ahead of customer trends, striking a balance between experiential content and conventional retail to increase footfall and retail sales, thereby optimizing income. More new technologies will be deployed at our properties such as mobile applications, mobile payment and smart parking, on top of the ever-improving direct customer services, to build on the unique Hang Lung Brand Experience.

To maintain our competitive edge and may further build our land bank when opportunities arise, the asset enhancement program in both Hong Kong and the Mainland will continue with due consideration of our financial strength. Depending on market conditions, we may continue to sell down the residential units on hand. Meanwhile, projects under development in mainland China will forge ahead as planned.