

2024 ANNUAL RESULTS ANALYST BRIEFING

Hysan Development Company Limited

18 February 2025

 **Hysan** 希慎

Disclaimer

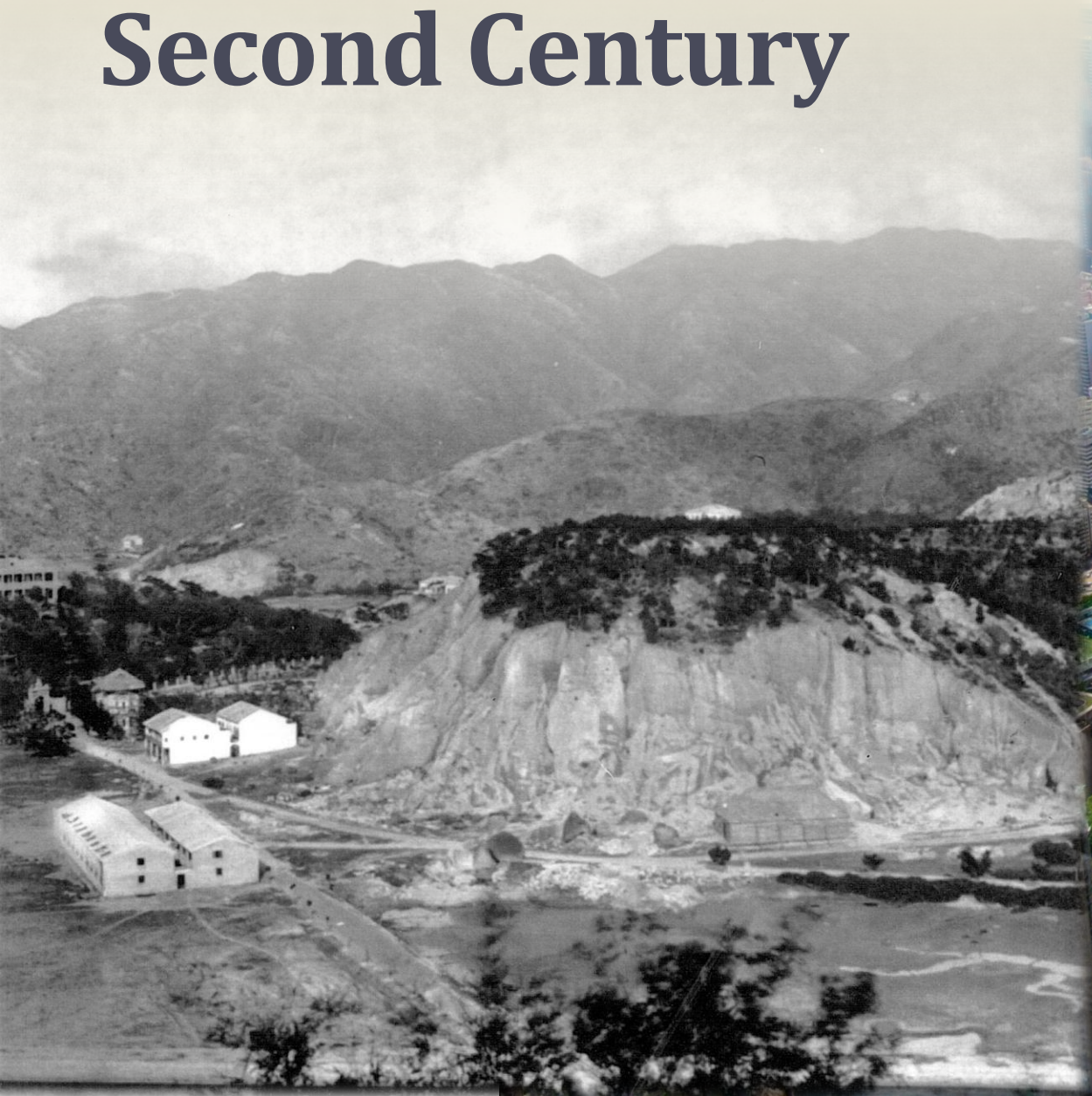
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All designs shown in the renderings used in this presentation deck are subject to future changes.

Embark on Our Second Century



Entering the Harvest Phase

Materialising our Rejuvenation Strategy into Financial Returns

2022

Began Rejuvenation of Lee Gardens

2023

Celebrating 100 Years of Contribution to Hong Kong's Development

2024

Lee Gardens Welcoming New and Expanded Maison Flagships

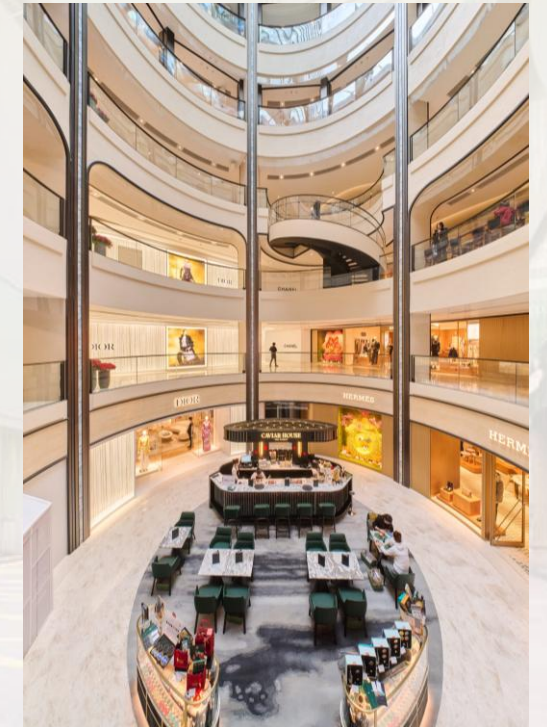
2025

Construction of the Integrated Pedestrian Walkway System Commences

2026

Fully Connected Lee Gardens

10+ Newly Renovated and Expanded Maison Flagships



Discovering the Art of Flavours at Lee Gardens

Curated Offerings of Premium Dining from 110+ F&B Outlets



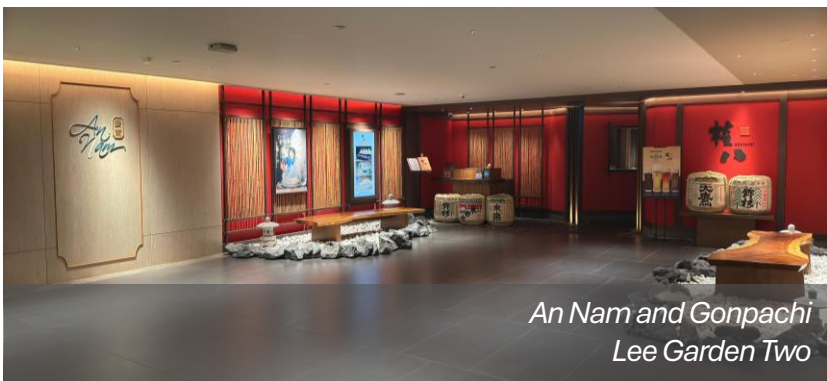
Aire
Lee Garden One



Roganic
Lee Garden One



Unagi Yondaime Kikukawa
Lee Garden One



An Nam and Gonpachi
Lee Garden Two



Caviar House & Prunier
Lee Garden One



Leela
Lee Garden Three

Differentiating Lee Gardens' Retail Portfolio

Navigating Challenges with Engaging Concepts and Experiences

Strengthened Collaboration with Anchor Tenants



Curated the Neighbourhood with Urban Culture Centric Activities



Mega Street Events



gLEeful Music Busking



Skateboarding-themed Events

Differentiating Lee Gardens' Retail Portfolio

Reinforcing Hysan Place as Hong Kong's Trendsetter with 30+ Brands Welcomed



Integrated Pedestrian Walkway System

Creating Seamless Working, Shopping, Dining and Leisure Experience

Trendsetter Hysan Place

- Gateway to Lee Gardens
- A vertical journey connecting a series of lifestyle destinations



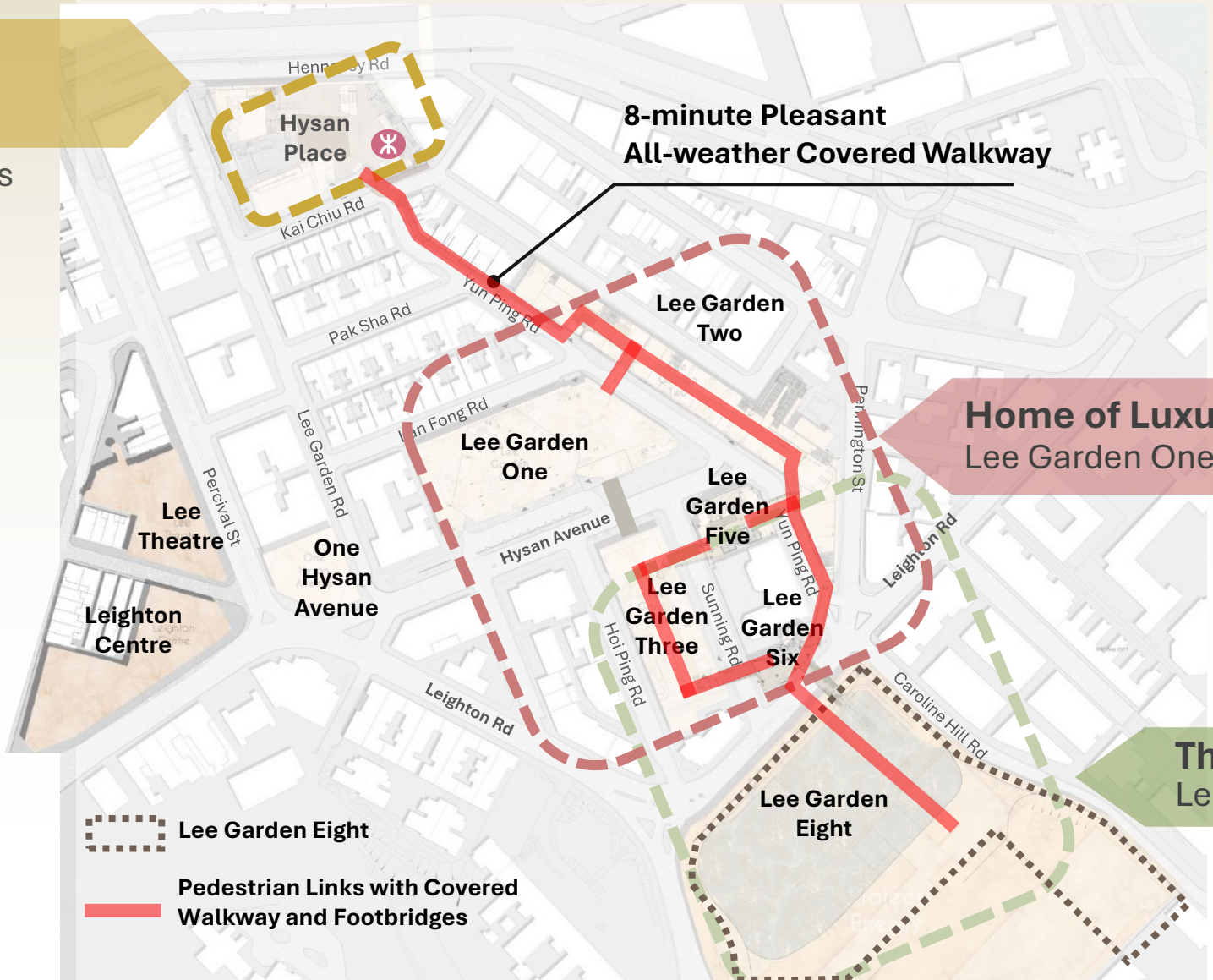
#URBANSKY
Art & Culture



#URBANHOOD
Trendsetting
Destination



#URBANPARK
Urban Youth
Centric



Dior



Hermès



Cartier



Valentino

Home of Luxury Flagships Lee Garden One, Two, Three and Five

- Expanded collection of maisons and premium dining selections

The Green Centric Lee Garden Eight

- Premium commercial development with 60,000 sq ft green open space

An architectural rendering of the Lee Garden Eight expansion project. The central focus is a tall, modern skyscraper with a distinctive stepped-top design and a prominent vertical metal frame. The building features a mix of glass facades and dark, horizontal architectural elements. To the left, another similar building is visible, and to the right, a residential high-rise and a transit station with a glass canopy are shown. The scene is set against a clear blue sky with light clouds. A semi-transparent grey box contains the text.

Lee Garden Eight
Expansion of Lee Gardens' Area by
30%

Performing Arts and Cultural Facilities at Lee Garden Eight

Enhancing the appeal and cultural vitality of Lee Gardens

HKAPA EXCEL

engaged as operator of the Performing Arts and Cultural Facilities in line with HKSAR Government's "Blueprint for Arts and Culture and Creative Industries Development"

20,000 sq ft

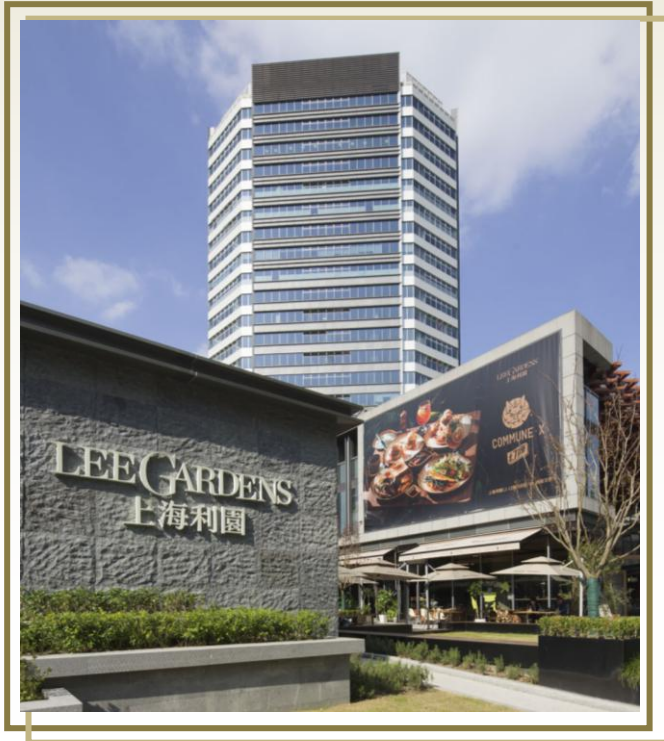
with a 150-seat black-box theatre, multifunctional exhibition and open spaces, café, and more



Strategic Pillars Deliver Solid Contributions

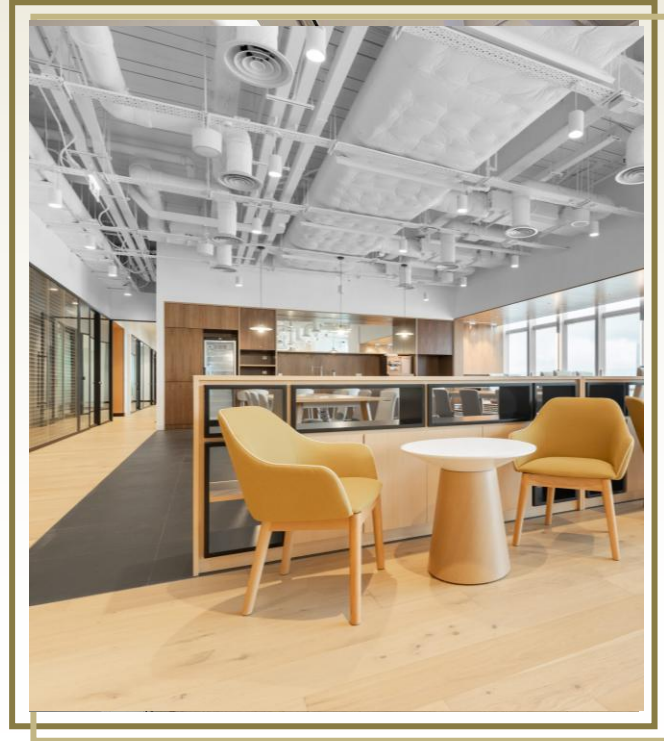
with Growth Opportunities Identified and Harnessed

Lee Gardens Shanghai



Strong ramp-up and secured commitments for **70%** of its office space in Shanghai

The World's Leading Flex Operator IWG



Achieved steady growth and maintained high occupancy in the Greater Bay Area

Healthcare Investment New Frontier Group



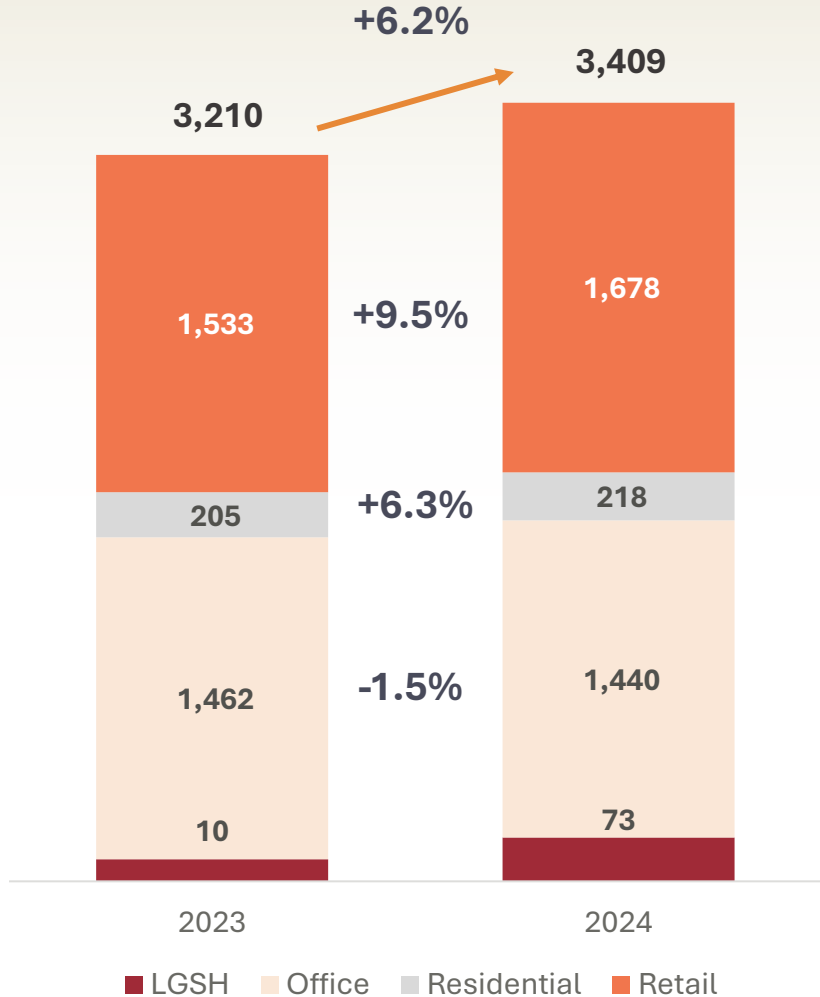
Maintained growth momentum with business expansion

Review of Business Performance and Operation



2024 Annual Results

Revenue (HK\$M)



Year-end Occupancy

HK Retail	HK Office	Residential
92% (2023 : 97%)	90% (2023 : 89%)	73% (2023 : 60%)

HK Retail Revenue : +9.5% Y.o.Y

- Reopening of rejuvenated area
- Positive rental reversion

HK Office Revenue : -1.5% Y.o.Y

- Stable occupancy in a competitive office market
- Diversification of tenant mix

- Residential revenue and occupancy recovering
- Lee Gardens Shanghai started to deliver a new stream of recurring earnings

Positive Results from Lee Gardens Rejuvenation

The increase in retail revenue was supported by luxury flagship expansion and positive rental reversion. Our Lee Gardens Rejuvenation strategy has attracted tenants with stronger sales potential and higher rental affordability.

Lee Garden One and Five saw major luxury flagship tenants reopen, while strengthened tenant partnerships and marketing boosted sales and customer experience.

New premium restaurants at Lee Garden One in late 2024 enhanced its luxury dining experience.

Hysan Place's first phase of transformation introduced 30+ new international and local brands and elevated its retail and dining mix.

HK Retail Revenue

↑ 9.5%

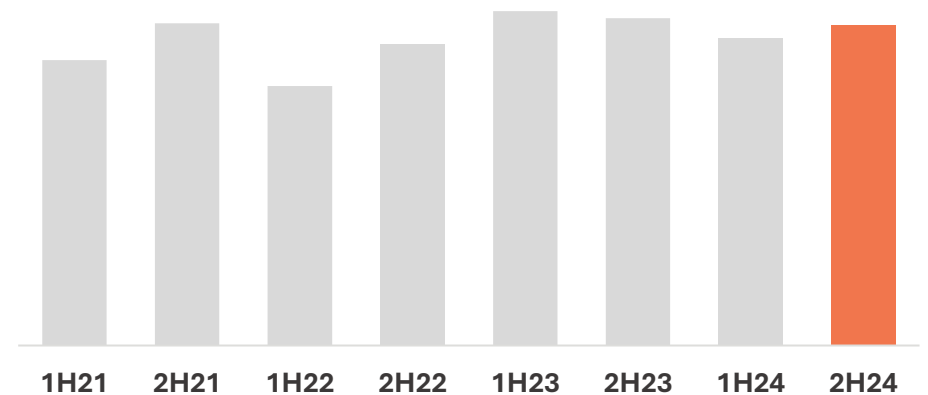
VS 2023

Occupancy

92%

(2023: 97%)

Hysan Tenant Sales Trend (2021 - 2024)



Expanded Loyalty Programme

Member Spending

↑ **2%**

VS 2023

Contribution to Sales

↑ **3 pp**

VS 2023

Spending per Head

\$1.6M

Avg. per Top Tier Member

Balanced Contribution Across Member Tiers

New hy! Membership

Diversified offerings to attract a wider demographic - spanning generations and both established and new Hong Kong residents.

Re-activate and recruit with our new App launch

- **60K+ members** recruited in 6 weeks
- **+71%** of hy! members with spending

Partnerships & Campaigns as Key Drivers of Retail

Positioning Lee Gardens as a Must-visit Destination for Locals and Tourists

Promotional Campaigns

210+ campaigns and events with **3M+** footfall



Strategic Partnerships

110+ partners engaged in 2024



Resilience in a Competitive Office Market

Continued efforts to diversify our tenant base and retain key tenants

Office leasing demand remained subdued as businesses remained cautious in a volatile market.

Lee Gardens retained a stable occupancy of 90% thanks to its prime location, premium facilities, sustainable features, and curated retail, lifestyle and dining selections.

Diverse tenant mix providing wider catchment and stronger resilience. Organic growth from the co-working, wealth management, services and semi-retail sectors.

HK Office Revenue

↓ 1.5%

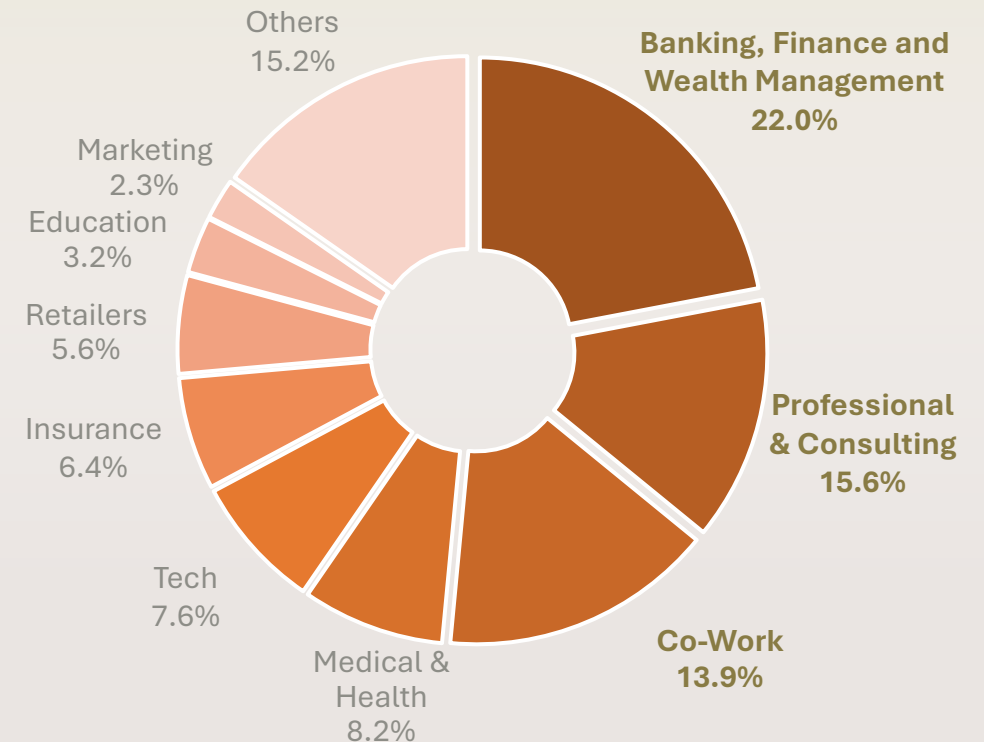
VS 2023

Occupancy

90%

(2023: 89%)

Office Tenant Profile by Area (as at 31 December 2024)





Financial Management

Financial & Capital Management

Shareholders'
Fund

HK\$ 66.0b *(-1.8%)*

NAV
per share

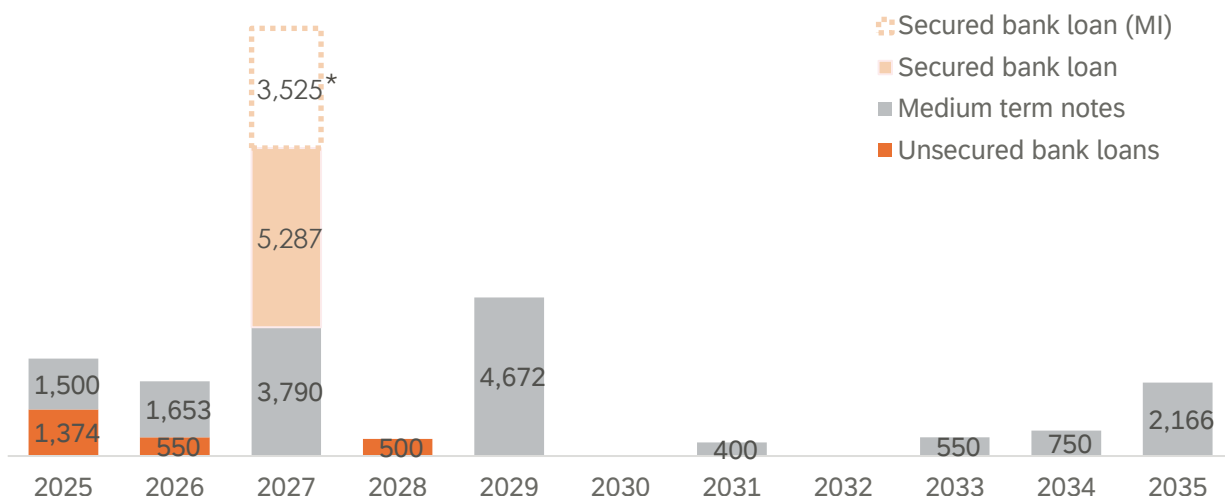
HK\$ 64.3 *(-1.7%)*

DPS

HK\$ 1.08 *(flat)*

Financial & Capital Management

Debt Maturity Profile as at 31 December 2024
(HK\$ m)



* Attributable to the minority interest in the LG8, accounting of 40% of the secured bank loan

Key Financial Metrics

Net Gearing

31.4%

Effective Interest Rate

4.3%

Fixed Rate Debt Ratio

61%

Average Debt Maturity

3.4 years

Undrawn Committed Facilities & Cash

HK\$18.9B

Sustainable Finance

40%

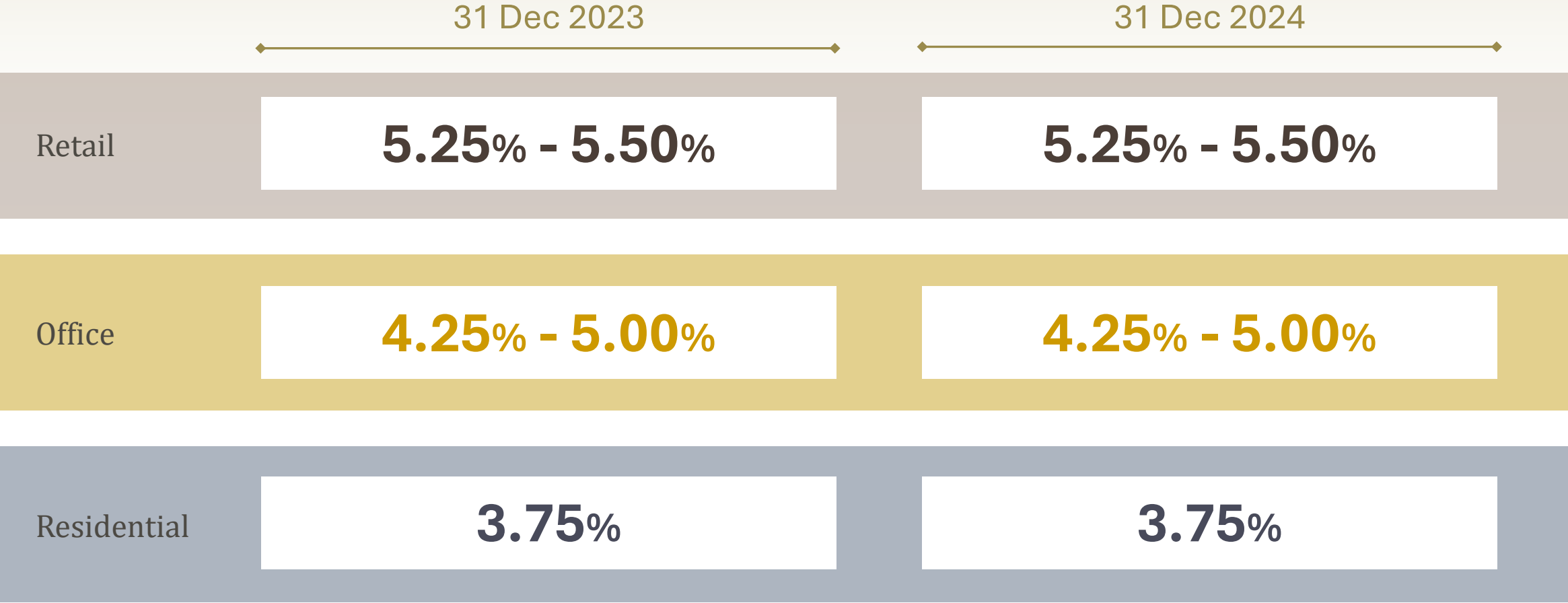
Ample liquidity

- HK\$18.9bn liquidity on hand, covering 70% of debts
- HK\$8bn syndicated loan closed in 2H2024

Prudent Capital Management

- Effective interest rate trending down (1H24: 4.4%, 2H24: 4.2%)
- Optimised fixed vs floating rate debt ratio

Indicative Cap Rates





Outlook



Embarking On A Promising Future