

# 2025 INTERIM RESULTS ANALYST BRIEFING

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**Hysan Development Company Limited**

14 August 2025



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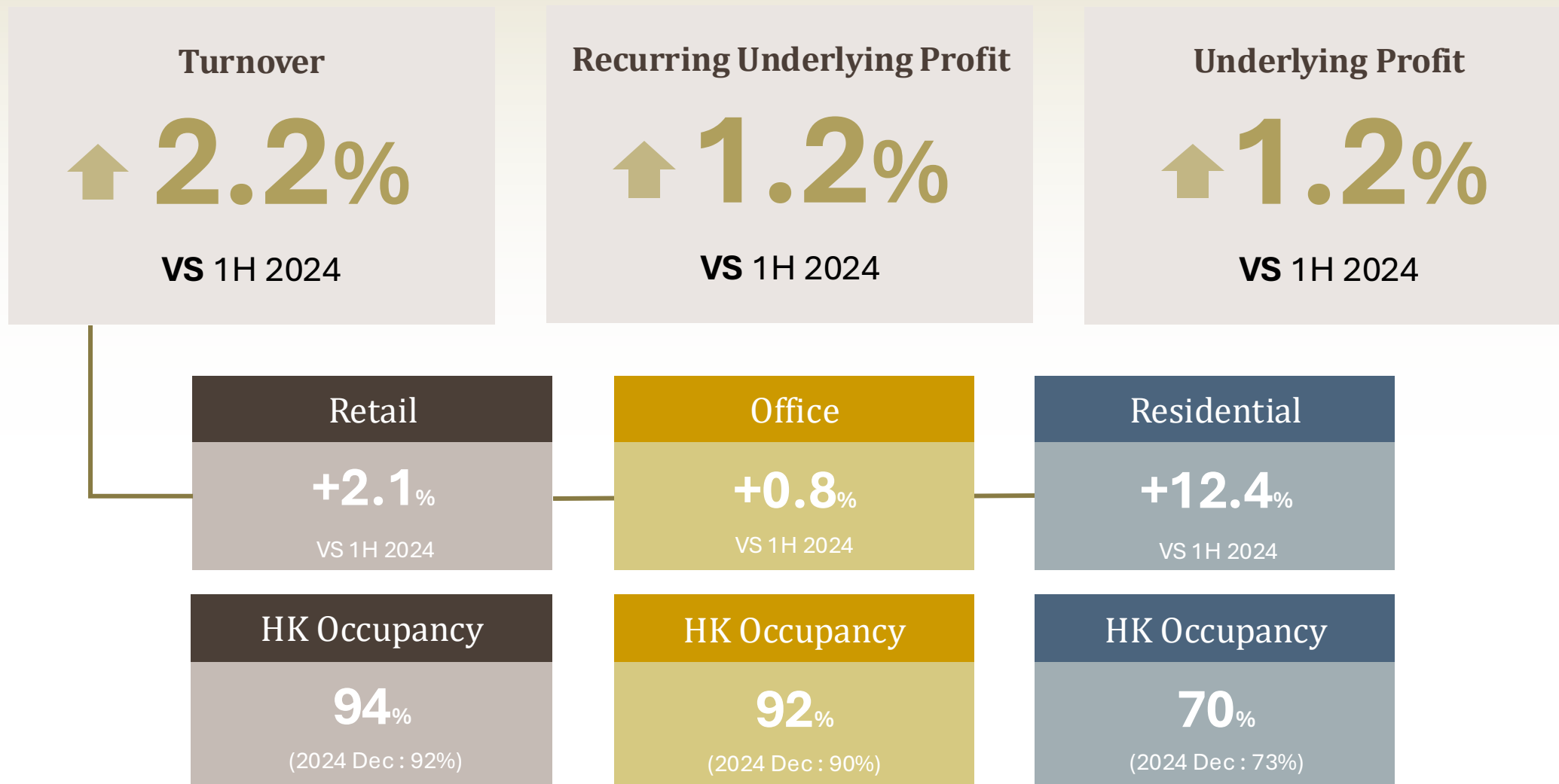


# A Legacy of Excellence, A Vision for the Future



# Delivers Solid Results that Outperform the Market

## Demonstrating Resilience in a Demanding Landscape





# Unique Portfolio Drives Strong Performance

## Century-Long Curation + Community Business Model

### Luxury + Trendsetting

Tenant Sales

↑ **4%**

**VS 1H 2024**

Connecting  
Multi-Generations



### Authentic Culture & Experiences

Traffic

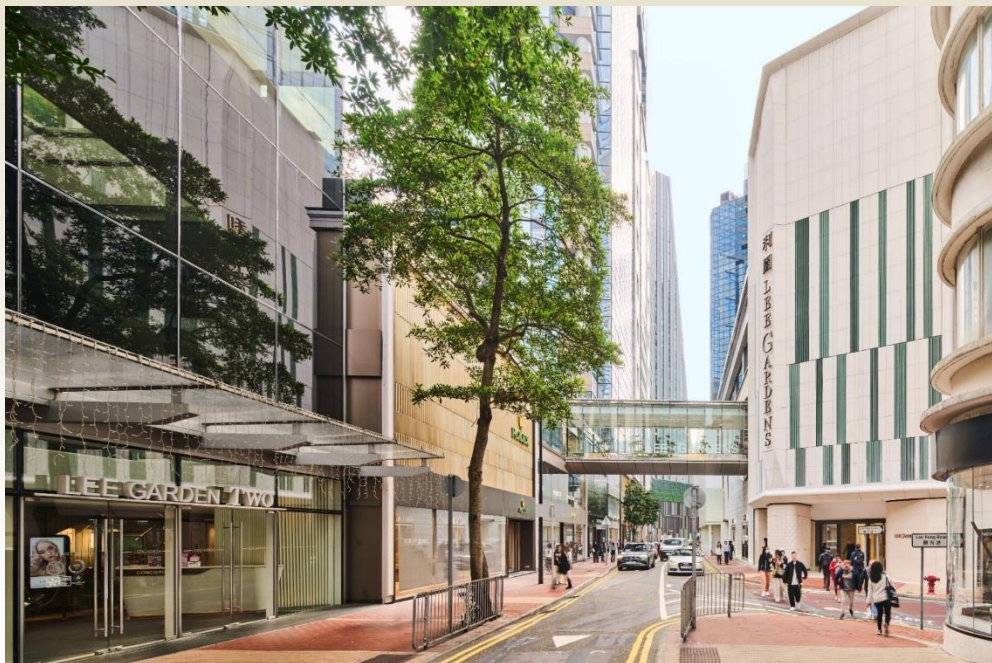
↑ **19%**

**VS 1H 2024**

Inclusive Community

# Harvesting Transformation, Cultivating Growth

## Long-term Growth Guided by Our “Core and Pillars” Strategy



### Core:

Reinforcing and expanding the Lee Gardens precinct

- Continuous dynamic curation – placemaking, unique experience offerings, asset enhancement
- Committed to meeting the evolving needs of community

### Pillars:

Diversified growth model

- Complementing asset-heavy developments with asset-light investments





# Lee Gardens Rejuvenation Delivers Promising Results

## Positive Momentum Continued into 1H 2025

10+ Newly Renovated and Expanded Flagship Maisons





# Upgraded F&B at Lee Gardens

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



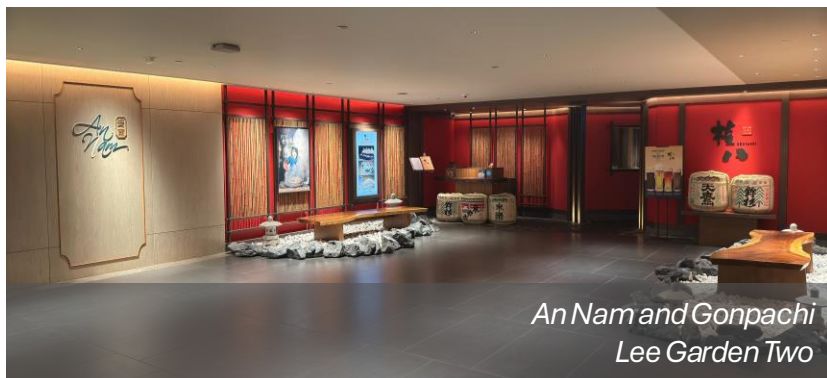
Aire  
Lee Garden One



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



# One-of-Its-Kind Character: Contrast + Diversity + Inclusivity

## Curating Lee Gardens Area with Thriving Neighbourhoods

Placemaking + Content Curation + Community Engagement

Brand Debuts in HK



Neighbourhood meets Commercial, Heritage meets Contemporary



# Resilience in the Competitive Office Market

## Stable Occupancy at Hong Kong's Favoured Office Destination

### Traditional Office Space



### Flexible Co-working Solutions



### Full-range Office Offerings





# Lee Garden Eight: Next-Generation Workplace and Retail Centrepiece

## On Track for Completion in 2026

Largest Commercial Floor Plate on Hong Kong Island



- Expansion of Lee Gardens leasable portfolio by **30%**
- Expected **20%** increase in daily footfall

Core of Towers 1 & 2 up to Top Level



- Superstructure works making satisfactory progress



# Integrated Pedestrian Walkway System

## Walkable Neighbourhood with Multi-Ground-Floor Retail Concept

**New Benchmarks for Sustainability and Connectivity**

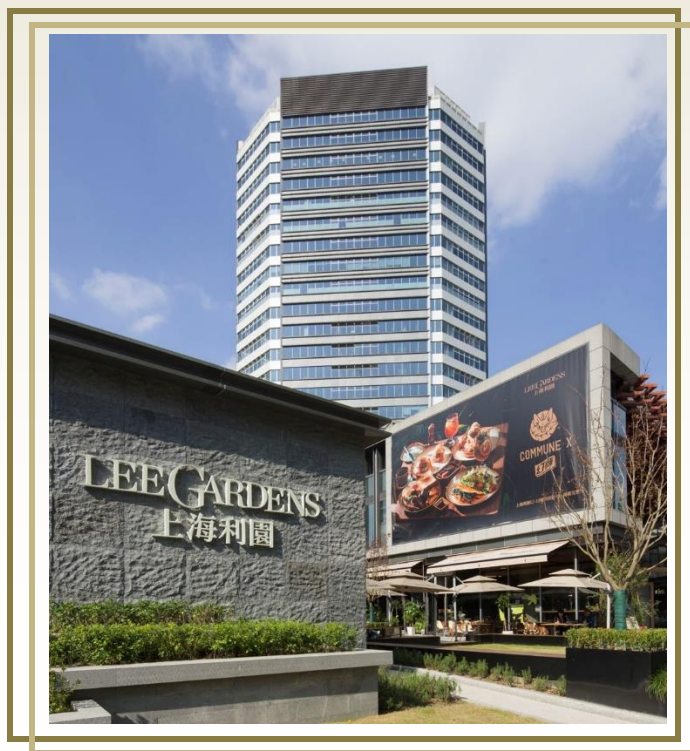




# Strategic Pillars: Business and Geographic Diversification

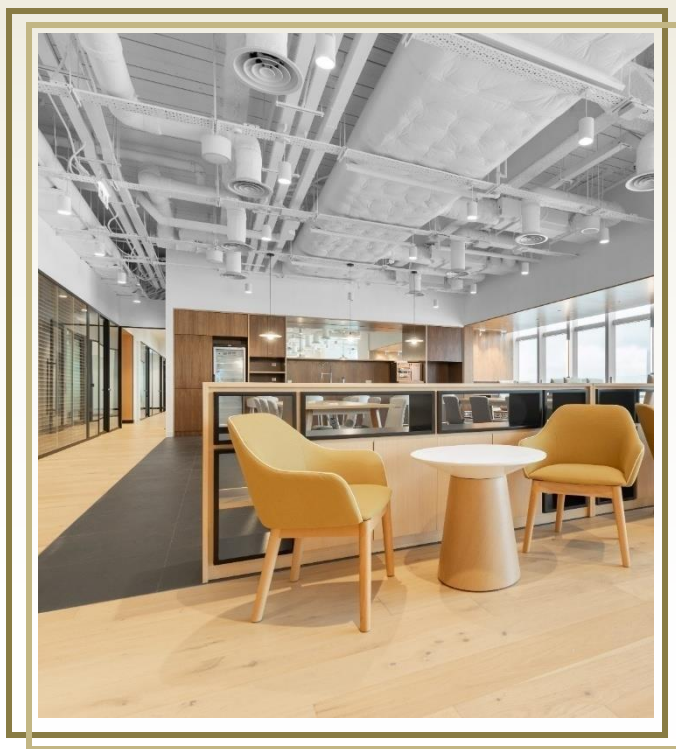
## Investment in Market Leaders to Complement Core Business

### Lee Gardens Shanghai



Quality asset with diversified office and retail mix

### The World's Leading Flex Operator IWG



Steady growth across the Greater Bay Area

### Healthcare Investment New Frontier Group



Maintained steady business growth momentum



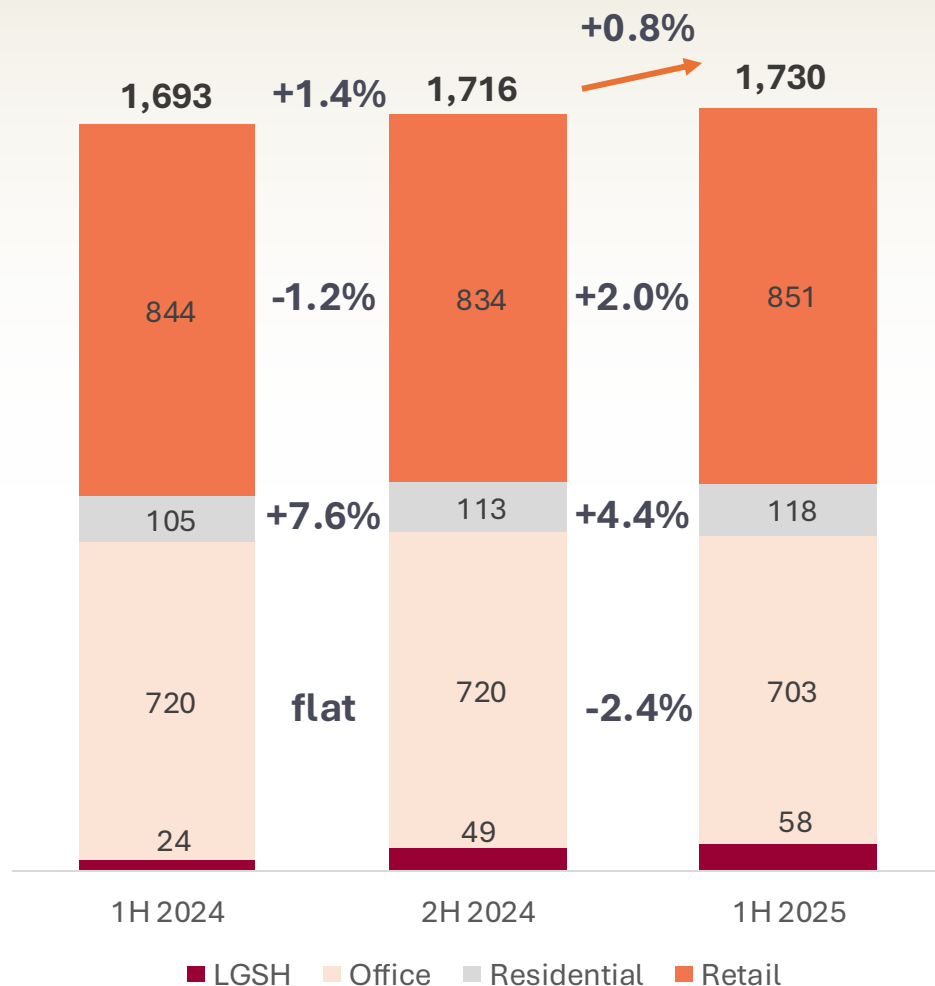
# Review of Business Performance and Operation





# 2025 Interim Results

## Revenue (HK\$M)



## Period-end Occupancy

HK Retail

94%

(2024 Dec : 92%)

HK Office

92%

(2024 Dec : 90%)

Residential

70%

(2024 Dec : 73%)

### HK Retail Revenue : +0.8% Y.o.Y / +2.0% H.o.H

- Improved occupancy with new tenants
- Positive rental reversion

### HK Office Revenue : -2.4% Y.o.Y / -2.4% H.o.H

- Stable occupancy in a competitive office market
- Full range of office offerings with balanced tenant mix

- Residential revenue achieved steady growth
- Lee Gardens Shanghai continued to benefit from strong occupancy ramp up last year

## Positive Results from Lee Gardens Rejuvenation

Addressing evolving demands of consumers by refreshing our brand mix with a variety of exciting and innovative new offerings.  
Progress on Lee Gardens rejuvenation continued to attract strong interest among retailers.

Consistently outperformed Hong Kong's retail market sales with attractive marketing initiatives & effective loyalty programmes

Expanded flagship maisons for luxury brands enriched offerings with curated in-store experiences

Strategic addition of a vibrant mix of new and renowned F&B outlets

### Q2 2025 Tenant Sales

↑ 8%

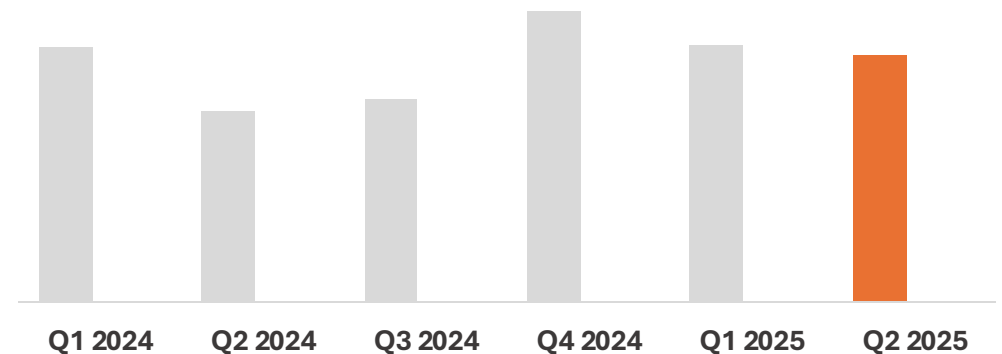
VS Q2 2024

### Occupancy

94%

(2024 Dec: 92%)

### Hysan Tenant Sales Trend (2024 - 2025)





## Quality of Loyal Member Base

### Member Spending

↑ **20%**

**VS 1H 2024**

### No. of Transactions by Club Avenue Members

↑ **31%**

**VS 1H 2024**

### Annual Spending per Head

**\$1.6M+**

**Avg. per Top Tier Member**

### Data-Driven Strategies

AI analytics to identify target customers

- Old and New Hong Kong Residents
- Multi-generations: Affluent Locals + Next Gen
- Elites and Families who Value Lifestyle and Wellbeing



### Contribution from All-tier Member Base

not relying on single tier

# Emerging Consumer Trends + Digital Engagement

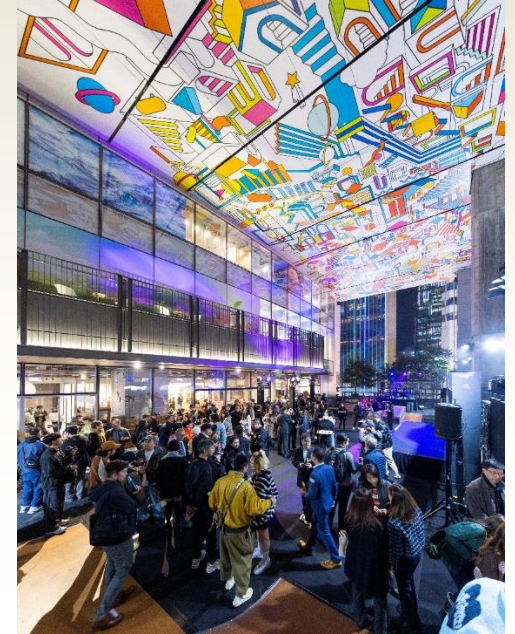
## Robust Increase in Traffic and Sales

### Promotional Campaigns

**110+** campaigns and events  
driving **4M+** footfall

### Strategic Partnerships

**60+** partners engaged in 1H 2025





# Unique Portfolio Shaping Retail Excellence

## Engaging Events Attracting Hong Kong's Youth and Visitors

### High-profile Campaigns and Pop-up Stores



### Urban Culture Activities



## Stable Occupancy with High Tenant Retention

Continued efforts to diversify tenant base leveraging full-range office offerings

Office market remained challenging as businesses continued to be cost-sensitive with higher requirements for work environments.

Lee Gardens maintained a stable occupancy of 92%, attributed to its prime location, premium facilities, sustainable features, and curated retail, lifestyle and dining selections.

Diverse tenant mix providing wider catchment and stronger resilience.

### Tenant Retention

>70%

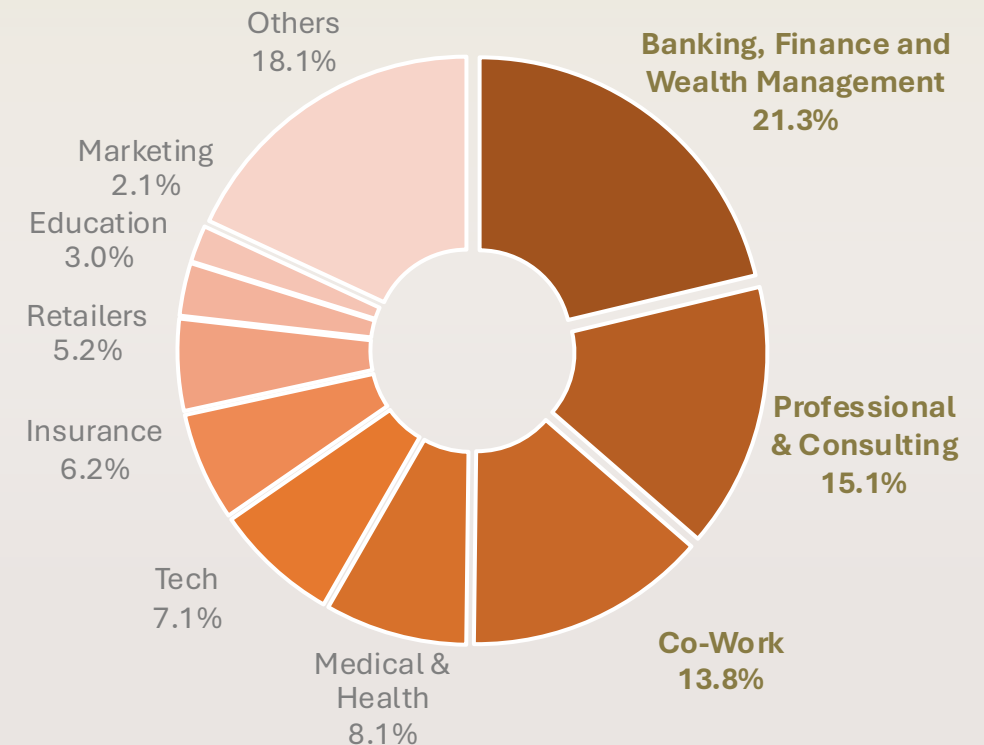
as at 30 Jun 2025

### Occupancy

92%

(2024 Dec: 90%)

### Office Tenant Profile by Area (as at 30 June 2025)





# Capital Recycling from Non-core Assets



**Bamboo Grove  
(2 Blocks)**



**VILLA LUCCA  
(53% contracted)**



**To Kwa Wan Development**



# Financial Management



# Financial & Capital Management

Shareholders'  
Fund

**HK\$ 65.2b** *(-1.2%)*

NAV  
per share

**HK\$ 63.5** *(-1.2%)*

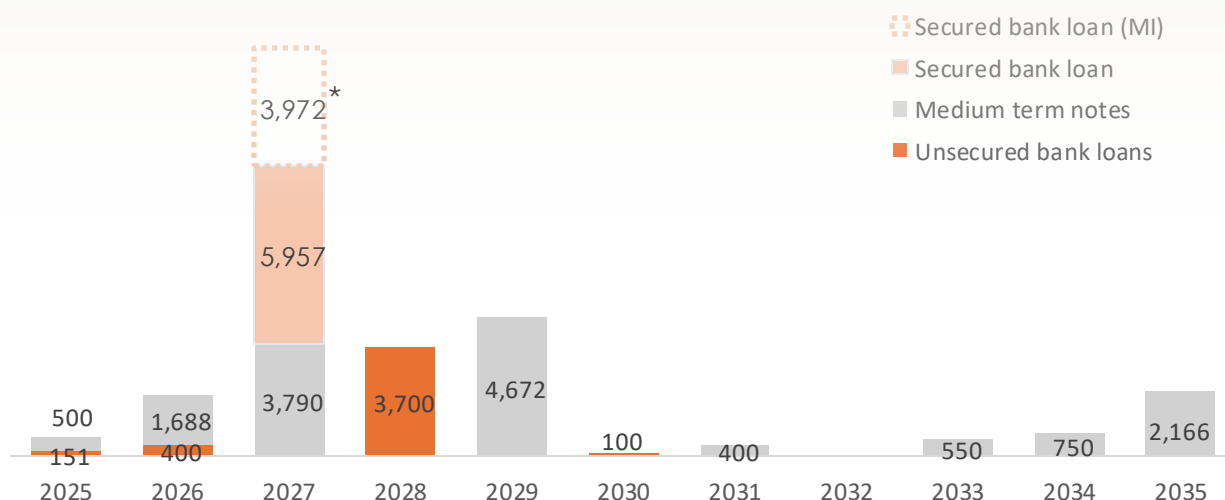
DPS

**HK\$ 0.27** *(flat)*



# Financial & Capital Management

Debt Maturity Profile as at 30 June 2025  
(HK\$ m)



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

## Key Financial Metrics

Net Gearing

**32.9%**

Effective Interest Rate

**3.8%**

Fixed Rate Debt Ratio

**56%**

Average Debt Maturity

**3.2 years**

Undrawn Committed Facilities & Cash

**HK\$15.3B**

Sustainable Finance

**42%**

### Ample liquidity

- Minimal maturing debts in 2H2025
- HK\$15.3bn liquidity for medium-term funding and to buffer uncertainty

### Prudent Capital Management

- Effective interest rate ↓50bps, benefiting from low HIBOR
- Swap USD notes into HKD to minimise FX risk and save interest

# Indicative Cap Rates

30 Jun 2025

31 Dec 2024

Retail

**5.25% - 5.50%**

**5.25% - 5.50%**

Office

**4.25% - 5.00%**

**4.25% - 5.00%**

Residential

**3.75%**

**3.75%**





Outlook



An aerial photograph of Hong Kong, showing a dense urban landscape with numerous skyscrapers and residential buildings. The city is situated on a peninsula, with a large body of water (Victoria Harbour) in the center. In the background, there are mountains and a bridge. The sky is blue with some clouds. The text "Confidence in the Future" is overlaid in the center of the image in a white, serif font.

Confidence in the Future