



ChampionREIT
冠君產業信託

2022
Interim Results

Challenging Operating Environment Remained Under Fifth Wave of Pandemic

1H 22 Financial Highlights

Total Rental Income

HK\$mm

1,196

↓ 5.0% Y/Y

Net Property Income

HK\$mm

1,044

↓ 8.2% Y/Y

- Negative rental reversion continued for all properties
- Mandatory closure for fitness centres and beauty parlours for over 3 months
- Tenants' sales and footfall improved after relaxation of social distancing measures in April

Distributable Income

HK\$mm

704

↓ 10.9% Y/Y

Distribution per Unit

HK\$

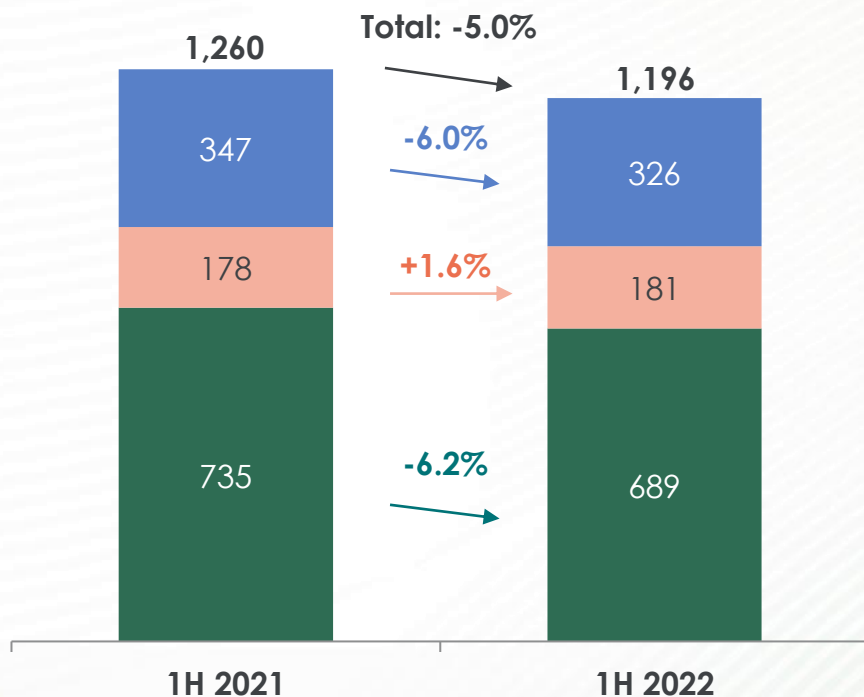
0.1064

↓ 11.1% Y/Y

Rental Income Breakdown

Rental Income by Property (HK\$mm)

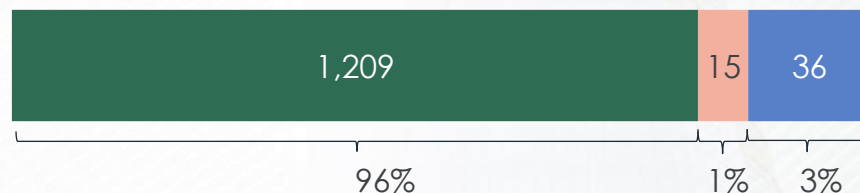
- Three Garden Road
- Langham Place Office
- Langham Place Mall



Rental Income by Income Type (HK\$mm)

- Base Rent
- Turnover Rent
- Carpark and Others

1H 2021: HK\$1,260mm



1H 2022: HK\$1,196mm



Maintaining Stable Financial Position

Property Valuation: HK\$64.8bn

Three Garden Road: HK\$39.6bn

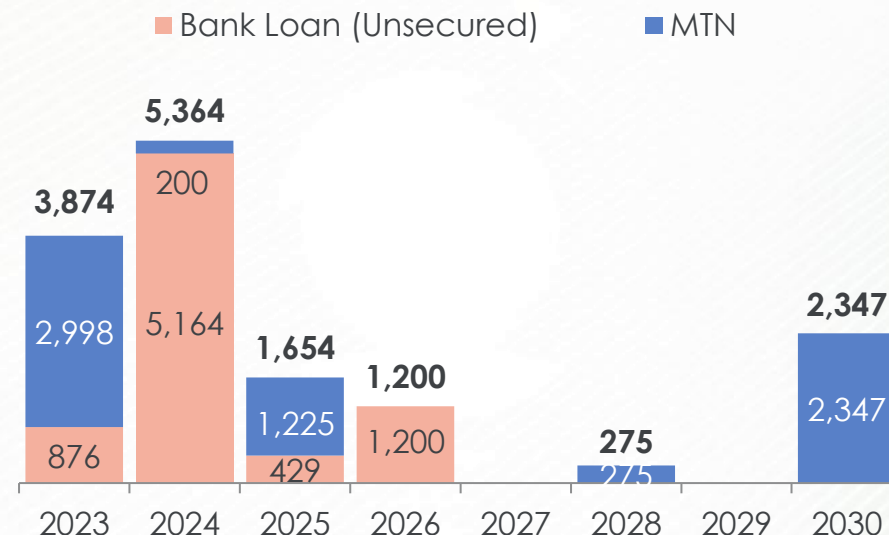
HK\$ bn	HK\$ / sqft	Cap Rate
- Office: 38.1	24,084	3.70%

Langham Place: HK\$25.1bn

HK\$ bn	HK\$ / sqft	Cap Rate
- Office: 8.9	12,713	4.10%
- Retail: 15.7	26,626	4.00%

- No change in cap rate compared to Dec 2021
- NAV per unit: HK\$8.15

Debt Maturity Profile as at 30 Jun 2022
(HK\$mm)



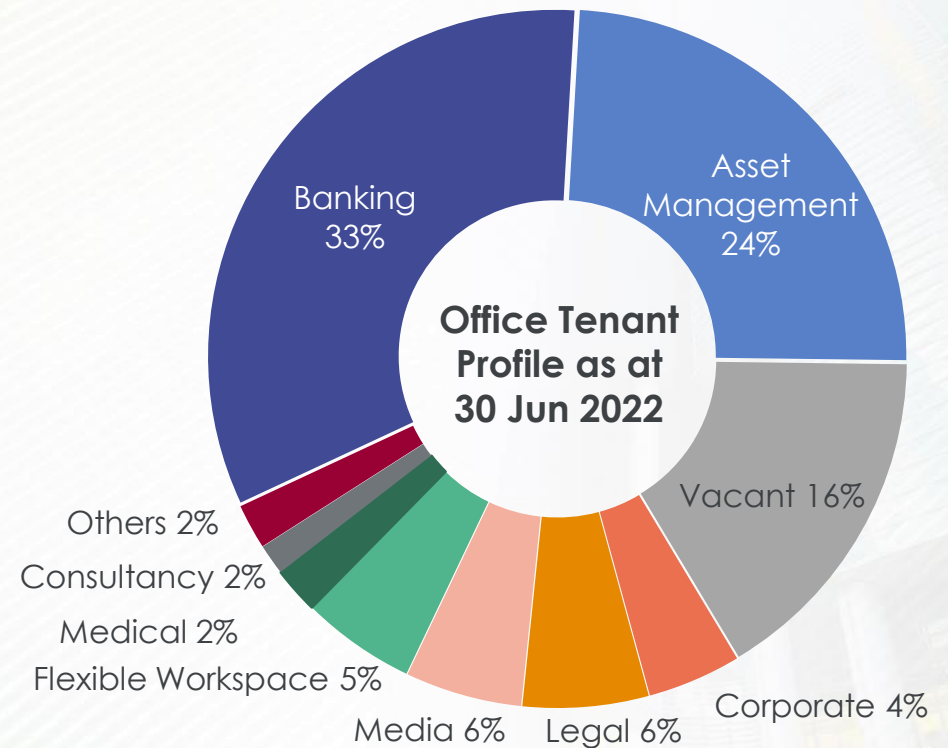
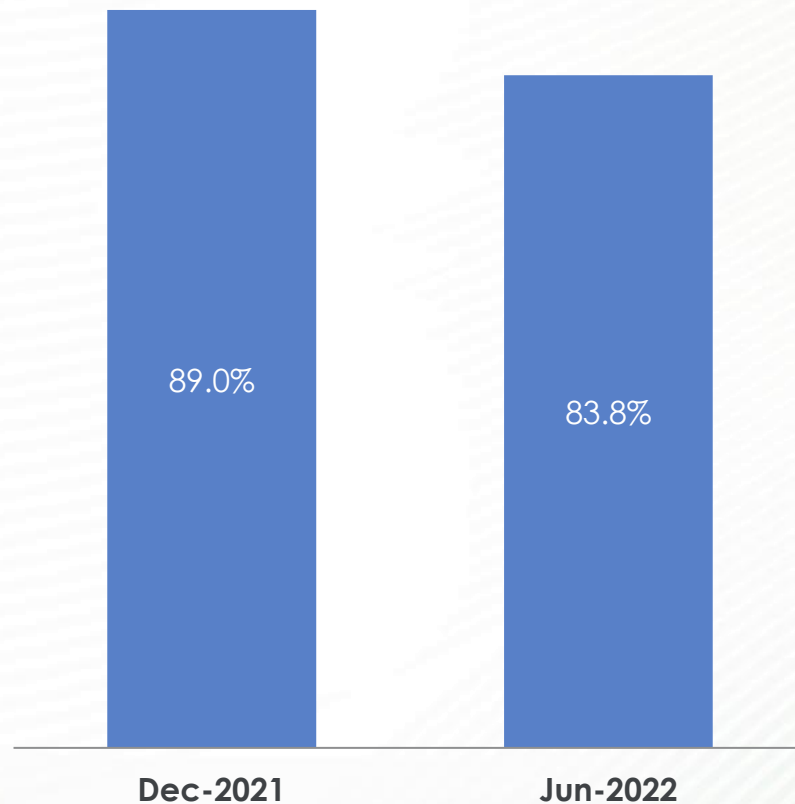
- Undrawn committed facilities: HK\$3.7bn
- Average interest rate: 2.4%
- Fixed-rate debt portion: 67.6%
- Gearing ratio at 22.3% as at 30 Jun 2022

Three Garden Road



Three Garden Road Office Weakened Demand from Financial Industry

Occupancy Rate as at 30 Jun 2022

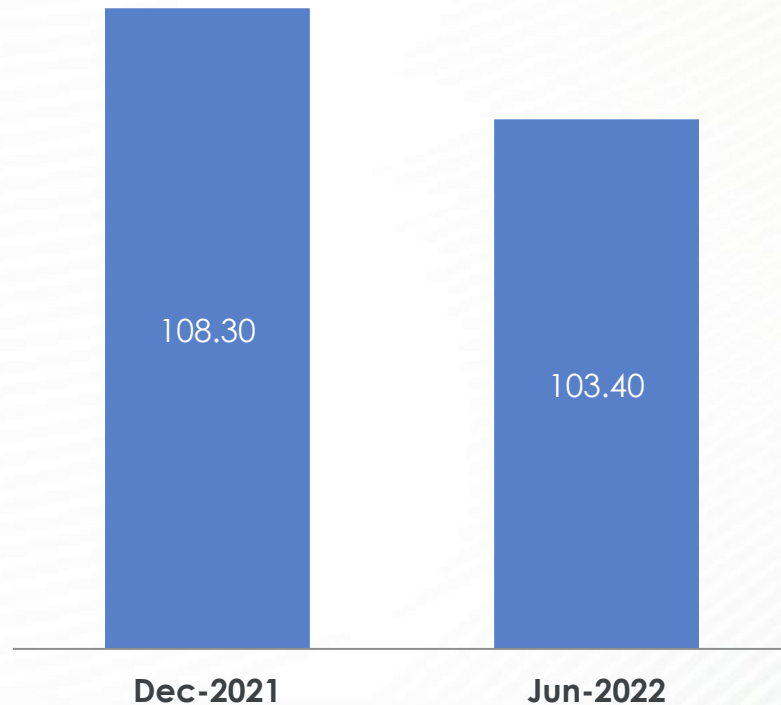


Three Garden Road Office

Challenging Market Driving Down Passing Rent

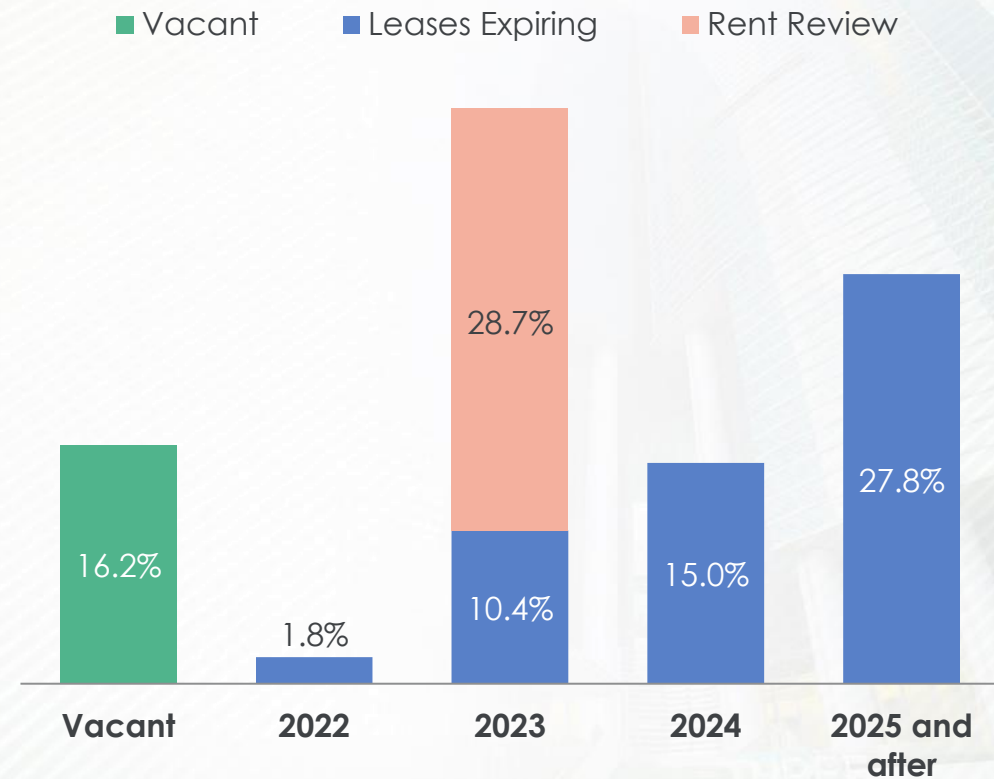
Passing Rent as at 30 Jun 2022

Effective Rent per sq. ft. (Lettable) (HK\$)



Lease Expiry as at 30 Jun 2022

- WAULT of 2.7 years



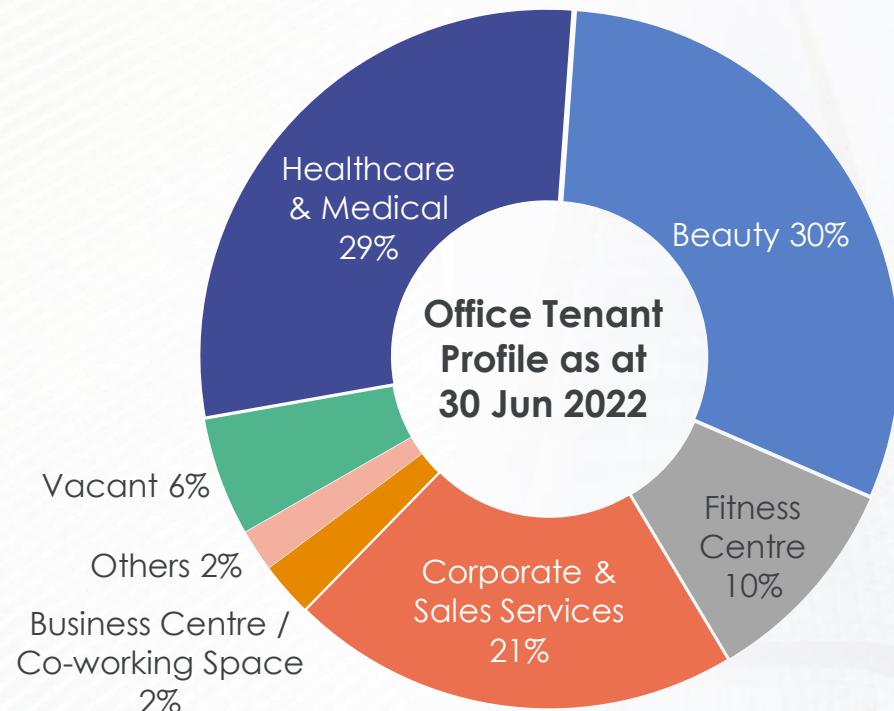
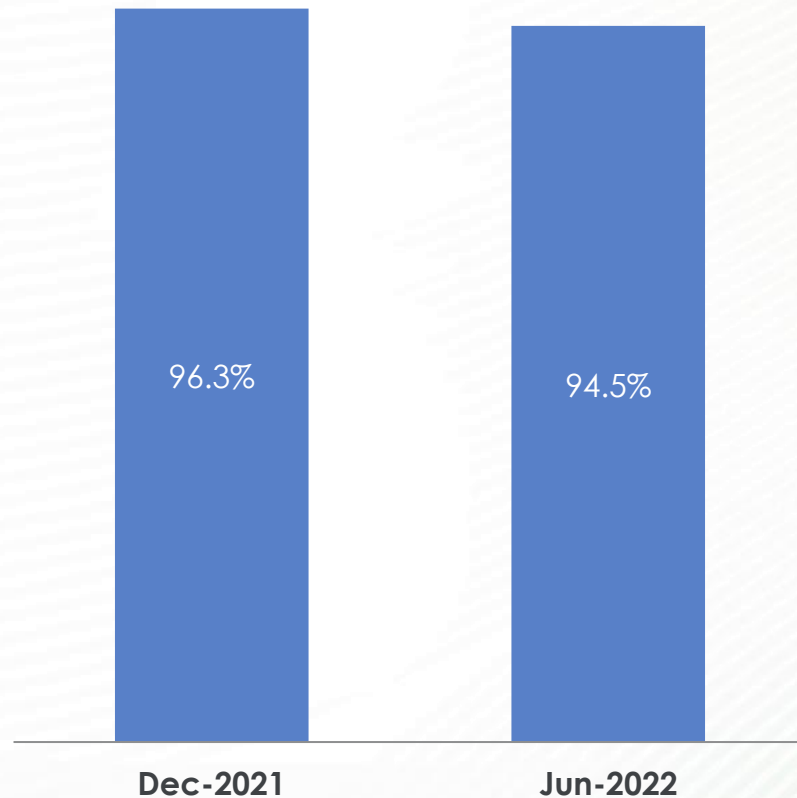
Langham Place Office Tower



Langham Place Office

Stable Proportion of Lifestyle-related Tenants

Occupancy Rate as at 30 Jun 2022



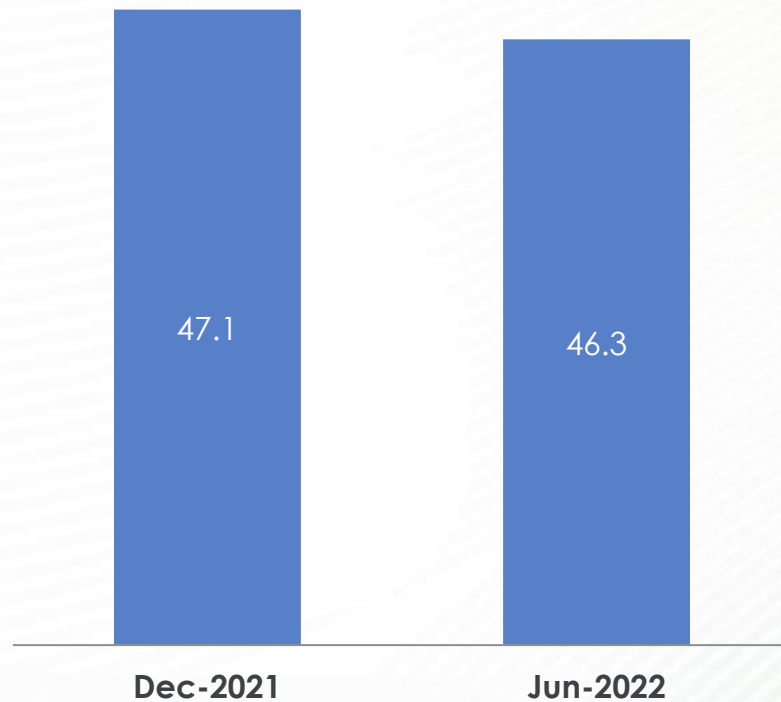
- Lifestyle-related tenants accounted for 69%

Langham Place Office

Rentals Under Pressure

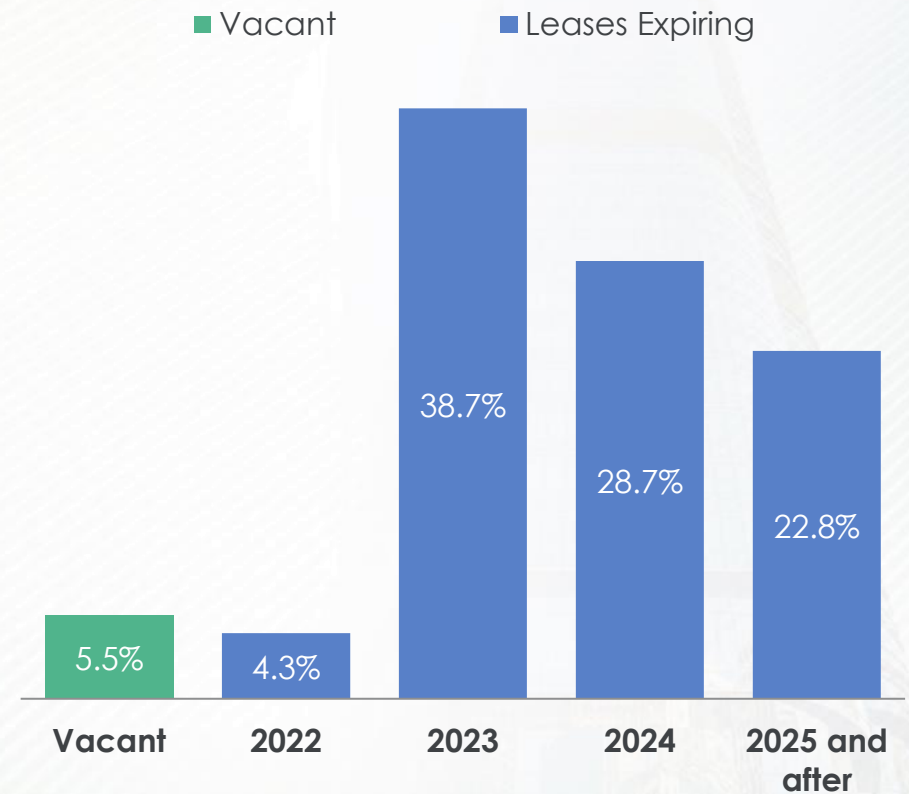
Passing Rent as at 30 Jun 2022

Effective Rent per sq. ft. (Gross) (HK\$)



Lease Expiry as at 30 Jun 2022

- WAULT of 2.5 years



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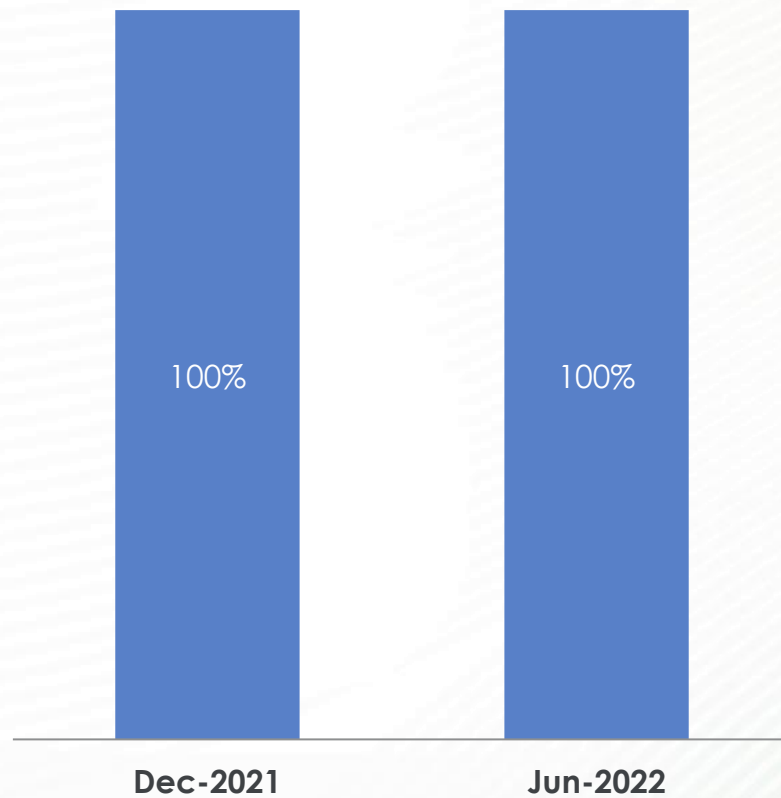
Langham Place Mall



Langham Place Mall

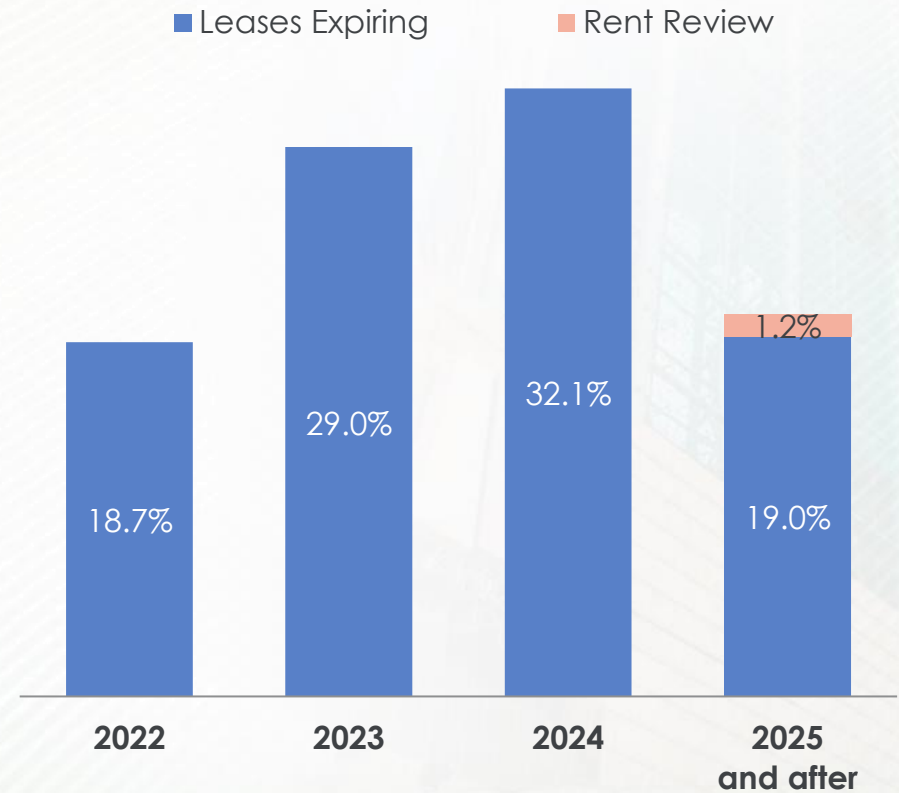
Maintained Full Occupancy

Occupancy Rate as at 30 Jun 2022



Lease Expiry as at 30 Jun 2022

- Area with turnover rent only dropped to 9.9%



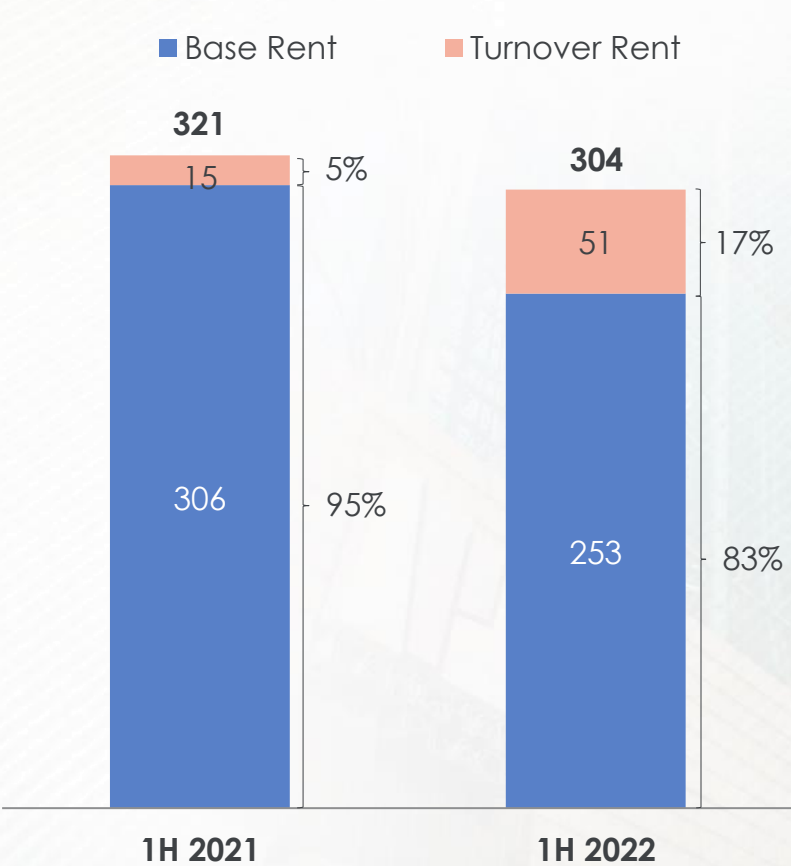
Langham Place Mall

Growth in Turnover Rent Driven by Langham Beauty

Passing Rent as at 30 Jun 2022
Total Rent per sq. ft. (Lettable) (HK\$)



Breakdown of Base Rent and Turnover Rent
(HK\$mm)



Langham Place Mall

New and Diversified Tenants to Entice Shoppers

F&B and Personal Care

LOBBY by hair corner and THE PONT Café



#HAP Taiwanese Hotpot



Confectionery

The Artisan



Sake Moment



Gadgets and Fashion

Sony Store



American Eagle and Aerie



Langham Place Mall

Promotions to Boost Mall Sales and Support Tenants

eSTORE Promotion

- Over 50 tenants' e-coupons with up to 30% discount and "Super Deal" with 50% discount
- Overwhelming results with products sold out quickly



Consumption Voucher Promotion

- Attractive 200% sales rebate lucky draw and earning of LP Club points
- Stimulated sales and footfall



Anson Lo Charity Pop-up Store

- Two-week exhibition and charity pop-up store
- Drove large crowds and social media buzz



Tamashii Nations Pop-up Store

- Pop-up store with exclusive merchandises
- Attracted traffic at photo zones



Langham Beauty Proactive Marketing Events to Stimulate Sales



Promotional Campaigns

- PR events and sales promotions of beauty brands boosted sales to the mall
- Sales and traffic have been significantly improved thanks to the relaxation of social distancing



Consumption Voucher Campaign

- Offered up to 81% discounts to attract shoppers
- Exclusive makeup or skincare services, gifts and LP Club member offerings



New Brands

- New beauty brands (Kerastase and Tokyo Lifestyle) further enhanced the brands portfolio



Sustainability

Social

Staff and tenants' wellness



Monthly music concerts
"Musica del Cuore"



Stretching and singing bowl
workshops

Donation during the pandemic



Anti-epidemic items to St. James' Settlement's beneficiaries



Climate Resilience

Governance

- Established Climate Risk and Resilience Policy



Green initiatives

- More solar panels and electric vehicles charging stations will be installed at our properties



Aligning
SDGs and
2030 targets



Guidance



Portfolio Outlook

- Office – Pressure on rental level and occupancy to continue
- Retail – Income in downward trend despite signs of recovery in tenants' sales
- Downside risks on rental income and DPU to remain



Liabilities Management

- Credit facilities are available for re-financing needs in 2023
- Closely monitor market situation amid rising interest rate environment



Look at Global Investment Opportunities Very Prudently

- Maintaining prudent approach towards investment opportunities

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