

**Challenges and opportunities go hand-in-hand**

- **2022 is a year of volatility**
- **Local developers grasp opportunity for land banking**
- **Major shareholders have been raising stakes in large developers**
- **Picks: Cheung Kong Asset Holdings (1113 HK) and Sun Hung Kai Properties (16 HK)**

**2022- a year of volatility.** With the recent COVID resurgence in Hong Kong, most developers have deferred their new project launches, while secondary market activities dwindled. Home prices, which has come off 4% from its all-time high in Aug-21, should remain under pressure in 1Q22. Despite upcoming interest rate hikes, we expect effective mortgage rates to remain at a non-alarming 2.25% by end-22. New private residential supply should remain constrained in the years ahead. The border re-opening, if this materialises after many delays, could be a wild card. We project home prices to regain the lost ground in 2H22 along with the local economic recovery.

**Local developers grasp opportunity for land banking.** In recent months, local developers successfully acquired land for development through usage conversion on favourable land premiums. Cash strapped China-based developers have been offloading their development projects in Hong Kong since 4Q21. This provides good opportunity for Hong Kong-based developers to replenish their land bank at attractive prices.

**Stock picks – CKAH, SHKP.** Property developers we cover are trading at a 50% discount to their respective current NAV estimates on a weighted average basis. The sector valuation is undemanding. A number of major shareholders have been raising stakes in large developers. This should provide strong support to share prices. Within the sector, we like Cheung Kong Asset Holdings (CKAH) and Sun Hung Kai Properties (SHKP). Li family has been consistently raising its stake in CKAH which is well positioned to pursue acquisition-led growth. Trading at 61% discount to our assessed current NAV and offering dividend yield of 5.2%, SHKP is very appealing from a historical viewpoint.

HSI: 23,550

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**Recommendation & valuation**

Company	Price	Target Price	Mkt Cap	Recom
Property Developers	HK\$	HK\$	HK\$bn	
<a href="#">CK Asset Hldgs (1113 HK)</a>	52.15	63.20	190	BUY
<a href="#">CSI Property (497 HK)</a>	0.210	0.335	2	BUY
<a href="#">Henderson Land(12 HK)</a>	34.00	40.00	165	BUY
<a href="#">HKR Int'l (480 HK)</a>	3.11	4.84	5	BUY
<a href="#">K Wah Int'l (173 HK)</a>	3.05	3.92	10	BUY
<a href="#">Kerry Props (683 HK)</a>	22.15	28.40	32	BUY
<a href="#">Lai Sun Dev (488 HK)</a>	4.10	5.26	4	BUY
<a href="#">MTR Corp (66 HK)</a>	42.45	48.40	262	BUY
<a href="#">New World Dev (17 HK)</a>	31.65	39.25	80	BUY
<a href="#">Sino Land (83 HK)</a>	9.66	12.15	74	BUY
<a href="#">SHKP (16 HK)</a>	95.0	118.20	275	BUY
<a href="#">Tai Cheung (88 HK)</a>	4.88	5.55	3	HOLD
<a href="#">Wharf Holdings (4 HK)</a>	27.05	31.70	83	BUY
<a href="#">Wing Tai Props (369 HK)</a>	4.45	4.93	6	HOLD

Source: Thomson Reuters, DBS Bank (Hong Kong) Limited ("DBS HK")

Closing price as at 28 Jan 2022



Live more, Bank less

Projects in the Northern Metropolis saw encouraging sales response. Since the government announced its plan to redevelop the Northern Metropolis in its Policy Address in Oct-21, new project launches there have attracted strong market interest. Cheung Kong Asset Holdings (CKAH) launched #LYOS in Hung Shui Kiu for pre-sale in Nov-21 and has since sold 308 units or 90% of a total of 341 units, for HK\$16,600psf on average. Scheduled for completion in Nov-22, #LYOS offers total GFA of 138,876sf.

Sun Hung Kai Properties' (SHKP) Wetland Seasons Bay Ph 2 in Tin Shui Wai has also been selling well. Since its initial launch in Nov-21, SHKP has sold 306 units or 79% of the total for c.HK\$2.1bn or HK\$15,900psf. The company has sold 93% of a total 1,224 units at Wetland Seasons Bay Ph 1 that was released in Aug-21. Elsewhere, about 41% of units of YOHO Hub Ph B in Yuen Long has been taken up since its initial launch in Dec-21.

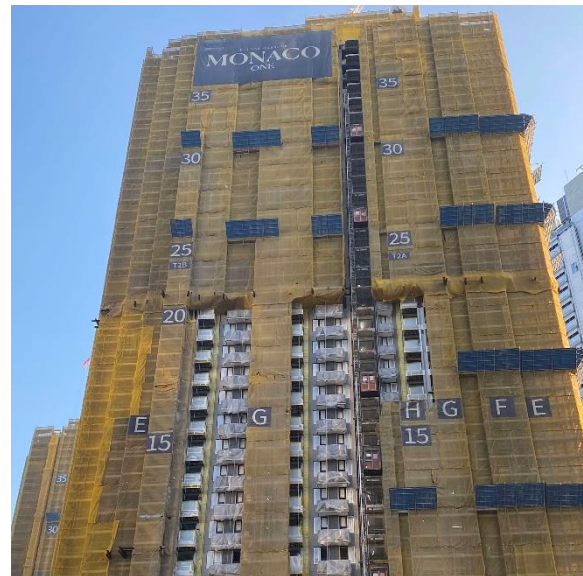
**YOHO Hub**



Source: DBS HK

Kai Tak was the focus of the primary market in 4Q21. The launch of Wheelock's 492-unit Monaco One received overwhelming market response in Nov-21. Within a short period of time, Monaco One was virtually fully sold for HK\$5bn or c.HK\$25,000psf on average. Monaco One/Monaco Marine are being built on sites acquired from the HNA Group. Including more than 600 units at Monaco/Grande Monaco that were sold in 1H21, Wheelock has sold about 1,100 units in Kai Tak in 2021.

**Monaco One**



Source: DBS HK

Henderson Land has also pre-sold more than 460 units at The Henley for HK\$28,000psf on average. Elsewhere, China Overseas Land sold 52% of a total of 1,059 units at One Victoria situated on the site of the former Kai Tak Airport runway since its initial launch in May-21.

**Photo - The Henley**



Source: DBS HK

**One Victoria**



Source: DBS HK

**Wong Chuk Hang Station development sought after by investors.** Like neighbouring Southland, La Marina (Wong Chuk MTR Station Package 2), developed by a consortium equally owned by Kerry Properties and Sino Land, attracted strong investment demand when launched for sale in Sep-21 due to its strategic location. About 483 units have been pre-sold at an ASP of HK\$35,700psf. This represented 81% of the total.

**La Marina**



Source: DBS HK

**Single-block residential towers on Hong Kong Island drew satisfactory initial market response.** Developed by a consortium comprising SHKP, Wheelock and Henderson Land, Kennedy 38 in Kennedy Town was put onto the market in Nov-21 and >50% of total units have been snapped up. ASP reached HK\$28,600psf. Kennedy 38 contains 341 units, mainly small-sized, with residential GFA of 118,200sf.

**Kennedy 38**



Source: DBS HK

In Dec-21, Henderson Land sold 91 units at Caine Hill in Mid-levels for HK\$29,000psf on average. Caine Hill offers 187 units with residential GFA of 55,659sf.

**Centralcon Properties' The Arles in Fo Tan was the best-selling project in 2H21.** Located in the vicinity of Fo Tan MTR Station, The Arles provides 1,335 units in four residential towers. Since its initial launch in Oct-21, the company has sold 824 units for HK\$8.2bn. This represented 62% of the total. Centralcon Properties acquired the site where The Arles is being built from SEA Holdings for HK\$1.12bn in 2015 and paid a land premium of HK\$3.58bn to convert it into residential use from industrial use in 2017. Based on our estimates, The Arles should be a profit bonanza for Centralcon Properties with pre-tax development margins estimated at >40%.

**Hong Kong Property Sector (Residential)**

Kowloon Development offered Manor Hill in Tseung Kwan O for sale in Nov-21. Since then, the company has sold 492 units for HK\$2.9bn. ASP reached HK\$21,000psf, the highest in Tseung Kwan O. Manor Hill has 1,556 units in two residential units with GFA of 0.52msf. The project take-up is slower than expected partly due to its aggressive pricing.

Luxury demand is recovering gradually supported by local affluent buyers. CKAH sold a total of 29 apartments at 21 Borrett Road in Mid-levels since Feb-21. Total sales proceeds reached Hk\$6bn with average prices high at HK\$85,300psf. SHKP also sold two houses at Central Peak on Stubbs Road in 4Q21 for >HK\$740m or HK\$100,000psf on average.

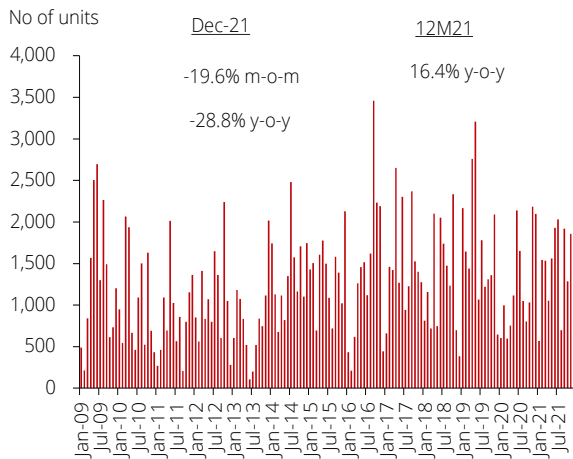
**Major project launches in 2H21**

Launch	Projects	Location	Developer	Total Units	Units sold	% sold	ASP (HK\$psf)
Jul-21	One Victoria	Kai Tak	China Overseas Land	1,059	548	52%	24,200
Jul-21	Seaside Castle	Tuen Mun	Emperor International	8	1	13%	31,600
Jul-21	SkyeHi	Tuen Mun	K&K Property	112	55	49%	18,400
Jul-21	Madera Garden	Ho Man Tin	Private Developer	71	4	6%	26,100
Aug-21	Grand Victoria Ph 2	Cheung Sha Wan	Sino Land consortium	525	124	24%	28,000
Aug-21	The Met.Azure	Tsing Yi	Wang On Property	320	195	61%	21,000
Aug-21	Wetland Seasons Bay Ph 1	Tin Shui Wai	SHKP	1,224	1,137	93%	16,200
Sep-21	La Marina	Wong Chuk Hang	Kerry Properties/Sino Land	600	483	81%	35,700
Sep-21	The Henley III	Kai Tak	Henderson Land	404	171	42%	28,800
Sep-21	La Aldea	Yuen Long	Private Developer	47	39	83%	14,500
Sep-21	The Holborn	Quarry Bay	Henderson Land	420	77	18%	28,500
Sep-21	Mangrove	Hung Hom	Private Developer	130	128	98%	21,000
Oct-21	Artique	Sheung Shui	Private Developer	30	30	100%	18,500
Oct-21	The Arles	Fotan	Centralcon Properties	1,335	825	62%	20,000
Oct-21	Manor Hill	Tseung Kwan O	Kowloon Development	1,556	492	32%	21,000
Nov-21	#LYOS	Yuen Long	Cheung Kong Asset Holdings	341	308	90%	16,600
Nov-21	Wetland Seasons Bay Ph 2	Tin Shui Wai	SHKP	388	306	79%	15,900
Nov-21	Monaco One	Kai Tak	Wheelock	492	488	99%	25,000
Nov-21	Kennedy 38	Kennedy Town	SHKP/Wheelock/Henderson Land	341	183	54%	28,600
Dec-21	The Aperture	Kowloon Bay	Hang Lung Properties	294	123	42%	21,800
Dec-21	University Heights	Mid-levels	Chinachem	75	6	8%	63,500
Dec-21	Caine Hill	Mid-levels	Henderson Land	187	91	49%	29,000
Dec-21	The YOHO Hub	Yuen Long	SHKP	1,030	418	41%	21,000

Source: Local press, DBS HK

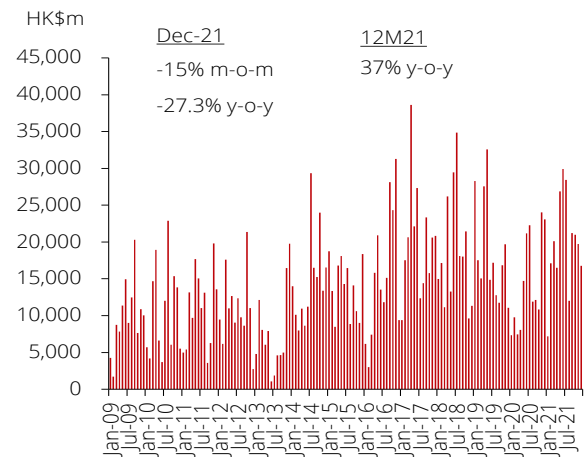
Overall, 9,281 units were sold in the primary market in 2H21, representing a 13.3% h-o-h increase. For the full year of 2021, transaction volume in the primary market rose 16.4% to 17,469 units. Total transaction value grew 37% to HK\$237bn.

**Primary market transaction volume**



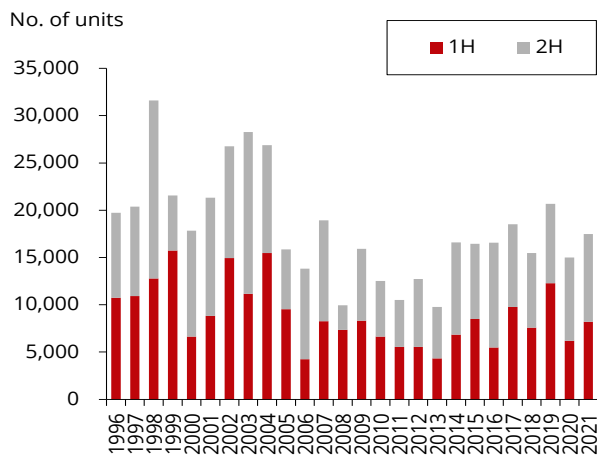
Source: Centaline Property Agency

**Primary market transaction value**



Source: Centaline Property Agency

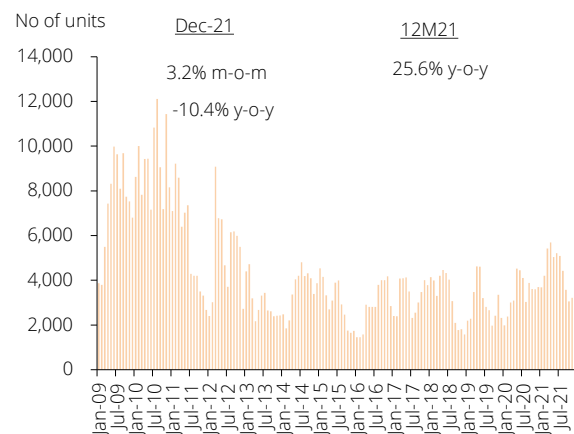
**Yearly primary transaction volume**



Source: Centaline Property Agency

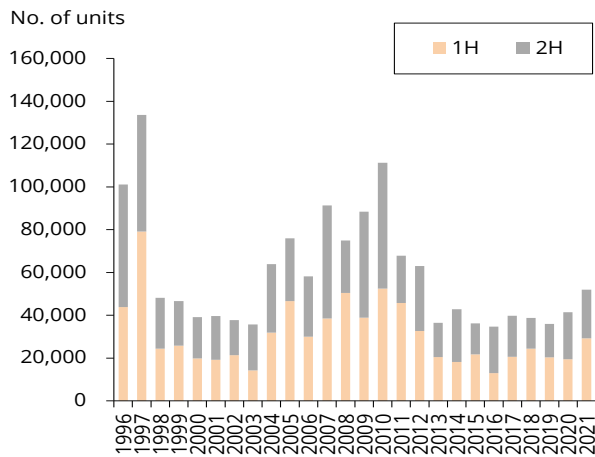
On the other hand, sales momentum in the secondary market lost steam after Sep-21. In 4Q21, the monthly transaction volume averaged 3,194 units, down from 4,877 units in 1H21. Overall, 51,928 units changed hands in the secondary market in 2021, up 25.6% y-o-y, with total transaction value rising 33.5% to HK\$475bn.

**Secondary market transaction volume**



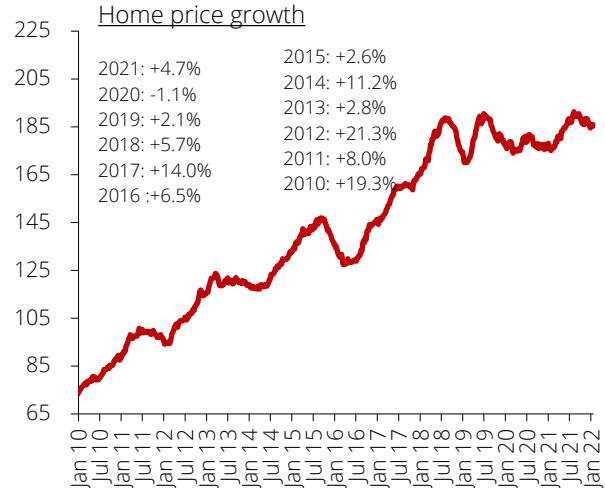
Source: Centaline Property Agency

**Yearly secondary transaction volume**



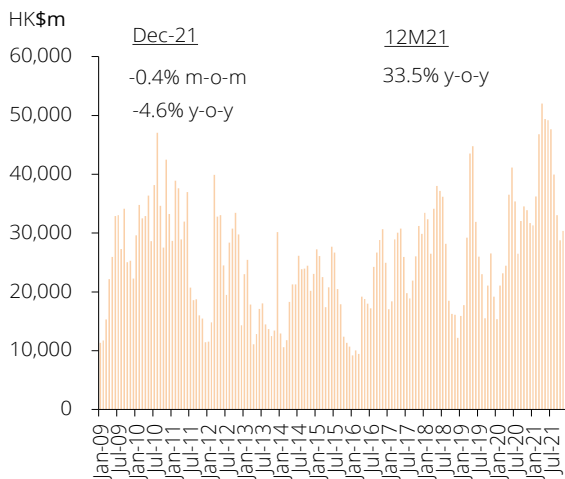
Source: Centaline Property Agency

**Centa City Leading Index**



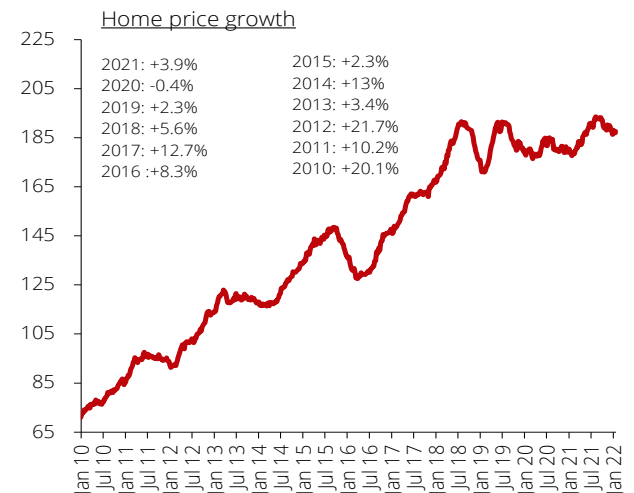
Source: Centaline Property Agency

**Secondary market transaction value**



Source: Centaline Property Agency

**Centa City Leading Index - Mass units**



Source: Centaline Property Agency

**Home prices mirrored similar trend.** According to Centa-City Leading Index, residential prices had increased by as much as 9% to all-time high in Aug-21 before retreating by 4% at the end the year. Overall, home price grew 5% in 2021.

### Hong Kong Property Sector (Residential)

**SHKP has strong project launch pipeline in 2022.** The Pak Shek Kok (TPTL 244) and Tuen Mun (TMTL 483) projects will be the company's sales focus in 1H22. The Pak Shek Kok development offers a total of about 1,900 residential units. The government's proposal to build a new MTR station at Pak Shek Kok should enhance the public transportation accessibility of this development and hence its marketability.

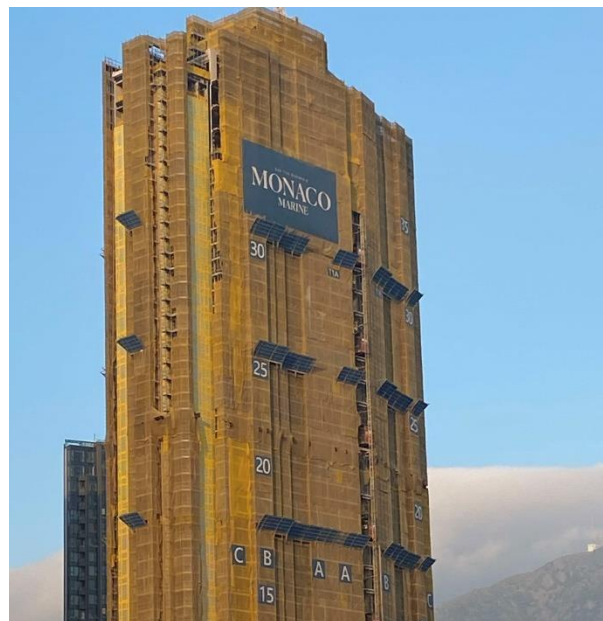
Application for pre-sale consent for Ph 1A & 1B of Tuen Mun development which offer 1,624 units in total is underway. Developed in phases, this sizeable project will provide about 4,600 units with GFA of 2.43msf upon full completion. The site use was converted from agricultural land after paying land premium of HK\$6.53bn in 2017.

The company is also applying for pre-sale consent of St. Michel Ph 2 in Shatin which contains 139 units. St. Michel Ph 1 was first launched in Apr-21 and over 40% of a total of 196 units have been sold already. Luxury project, Victoria Harbour Ph 2 on the North Point waterfront, should also go on sale after the relaxation of border control measures.

**Projects in the Northern Metropolis should continue to be sought after.** With 715 residential units, Ph 1A of Kam Sheung Road Station development is expected to go on sale in 1H22. This large project is being developed by a consortium equally owned by Sino Land, K. Wah and China Overseas Land in phases. Upon the full completion, it will provide c.2,200 units in total. Its key appeal lies with its transportation convenience. It is located adjacent to Kam Sheung Road MTR Station which is one stop from both Yuen Long Station and Tsuen Wan West Station. CSI Properties is now selling Cadenza, a newly completed luxury house development in Sheung Shui. Elsewhere, Henderson Land's Fanling project Ph 1 should also be available for sale in 2022.

**Kai Tak should remain the market limelight.** On the heels of strong demand for Monaco One, Wheelock plans to launch the neighbouring Monaco Marine (559 units) shortly. Henderson Land is also applying for pre-sale consent for another Kai Tak project (736 units) close to The Henley. Elsewhere, four residential developments situated on the former airport runway are pending the government's presale approval.

#### Photo- Monaco Marine



Source: DBS HK

**More projects at Wong Chuk Hang Station on sale.** The Southside Packages 3 & 4 in Wong Chuk Hang could also be available for pre-sale in 2022. Built by CKAH, Package 3 will offer about 1,200 units atop a 0.51msf retail mall. Package 4, developed by a consortium comprising Kerry Properties, Sino Land Swire Properties, contains 800 units. These two packages are expected to be popular among investors judging from the sales response to Southland/La Marina.

Hysan Development and HKR International are anticipated to sell their joint-venture low-rise residential development on Lo Fai Road in Tai Po after project completion. This luxury project provides 262 units including 41 houses.

## Major project launches in 2022

Project/ Lot no	Location	Location	Stake (%)	Total no. of units	Remark
<b>Cheung Kong Asset Holdings</b>					
21 Borrett Road, Ph 2	HK	Mid-levels	100	66	
TMTL 463	NT	Tuen Mun	41	400	JV with SHKP
<b>Sun Hung Kai Properties</b>					
Victoria Harbour Ph 2B-2	HK	North Point	100	123	Pre-sale consent obtained in May-20
Victoria Harbour Ph 2B-3	HK	North Point	100	228	Pre-sale consent obtained in May-20
Prince Central	Kln	Ho Man Tin	100	101	Pre-sale consent obtained in Oct-20
KIL 11230	Kln	Ho Man Tin	58	75	JV with Wheelock
St. Michel Ph 2	NT	Shatin	100	139	Presale consent pending approval
TMTL483 Ph 1A	NT	Tuen Mun	100	824	Presale consent pending approval
TMTL483 Ph 1B	NT	Tuen Mun	100	800	Presale consent pending approval
TMTL 463	NT	Tuen Mun	59	400	JV with CKAH
TPTL 244 Ph 1	NT	Tai Po	100	576	Presale consent pending approval
TPTL 244 Ph 2A	NT	Tai Po	100	607	Presale consent pending approval
<b>Henderson Land</b>					
The Henly Ph 2	Kln	Kai Tak	100.0	301	Pre-sale consent obtained in Apr-21
NKIL 6562	Kln	Kai Tak	100.0	756	Presale consent pending approval
NKIL 6754 Ph 1	Kln	Kai Tak	29.3	648	JV with Wheelock, New World & Empire Group
NKIL 6754 Ph 2	Kln	Kai Tak	29.3	571	JV with Wheelock, New World & Empire Group
NKIL 6554 Ph 1	Kln	Kai Tak	30	636	JV with K.Wah, Wharf & COLI
NKIL 6554 Ph 2	Kln	Kai Tak	30	511	JV with K.Wah, Wharf & COLI
NKIL 6554 Ph 3	Kln	Kai Tak	30	405	JV with K.Wah, Wharf & COLI
NKIL 6554 Ph 4	Kln	Kai Tak	30	510	JV with K.Wah, Wharf & COLI
FSSTL 262 Ph 1	NT	Fanling	100	603	Presale consent pending approval
<b>Sino Land</b>					
One Central Place	HK	Central	100	121	Presale consent obtained in Nov-21
Kam Sheung Road Station Ph 1A	NT	Kam Tin	33.3	715	JV with COLI and K.Wah
Lohas Park Package 11B	NT	Tseung Kwan O	40	592	JV with K.Wah and China Merchant
Lohas Park Package 11C	NT	Tseung Kwan O	40	644	JV with K.Wah and China Merchant
Lohas Park Package 11D	NT	Tseung Kwan O	40	644	JV with K.Wah and China Merchant
<b>New World Development</b>					
NKIL 6754 Ph 1	Kln	Kai Tak	29.3	648	JV with Henderson Land, Wheelock & Empire Group
NKIL 6754 Ph 2	Kln	Kai Tak	29.3	571	JV with Henderson Land, Wheelock & Empire Group
<b>Wheelock &amp; Co</b>					
Monaco Marine	Kln	Kai Tak	100	559	Presale consent obtained in Dec-21
KIL 11230	Kln	Ho Man Tin	42	75	JV with SHKP
KOKO Hills Ph 3A	Kln	Lam Tin	100	392	Presale consent pending approval
KOKO Hills Ph 3B	Kln	Lam Tin	100	444	Presale consent pending approval
NKIL 6754 Ph 1	Kln	Kai Tak	29.3	648	JV with Henderson Land, New World & Empire Group
NKIL 6754 Ph 2	Kln	Kai Tak	29.3	571	JV with Henderson Land, New World & Empire Group
NKIL 6577 Ph 1	Kln	Kai Tak	30	1,017	JV with K.Wah & COLI
<b>Wharf Holdings</b>					
NKIL 6554 Ph 1	Kln	Kai Tak	30	636	JV with K.Wah, Henderson Land & COLI
NKIL 6554 Ph 2	Kln	Kai Tak	30	511	JV with K.Wah, Henderson Land & COLI
NKIL 6554 Ph 3	Kln	Kai Tak	30	405	JV with K.Wah, Henderson Land & COLI
NKIL 6554 Ph 4	Kln	Kai Tak	30	510	JV with K.Wah, Henderson Land & COLI

Source: DBS HK



## Major project launches in 2022 (continued)

Project/ Lot no	Location	Location	Stake (%)	Total no. of units	Remark
<b>Kerry Properties</b>					
Mont Verra	Kln	Kowloon Tong	100	64	Pre-sale consent obtained in Sep-20
<b>K. Wah International</b>					
2 Grampian Road	Kln	Kowloon Tong	100	6	
Kam Sheung Road Station Ph 1A	NT	Kam Tin	33.3	715	JV with Sino Land and COLI
Lohas Park Package 11B	NT	Tseung Kwan O	30	592	JV with Sino Land and China Merchant
Lohas Park Package 11C	NT	Tseung Kwan O	30	644	JV with Sino Land and China Merchant
Lohas Park Package 11D	NT	Tseung Kwan O	30	644	JV with Sino Land and China Merchant
NKIL 6554 Ph 1	Kln	Kai Tak	10	636	JV with Henderson Land, Wharf & COLI
NKIL 6554 Ph 2	Kln	Kai Tak	10	511	JV with Henderson Land, Wharf & COLI
NKIL 6554 Ph 3	Kln	Kai Tak	10	405	JV with Henderson Land, Wharf & COLI
NKIL 6554 Ph 4	Kln	Kai Tak	10	510	JV with Henderson Land, Wharf & COLI
NKIL 6577 Ph 1	Kln	Kai Tak	40	1,017	JV with Wheelock & COLI
<b>Tai Cheung</b>					
Pulsa	HK	Repulse Bay	100	8	
<b>Hysan Development</b>					
TPTL 223 & TPTL 229	NT	Tai Po	100	262	Presale consent obtained in Dec-21
<b>China Overseas Land</b>					
Kam Sheung Road Station Ph 1A	NT	Kam Tin	33.3	715	JV with Sino Land and K.Wah
NKIL 6554 Ph 1	Kln	Kai Tak	30	636	JV with Henderson Land, Wharf & K.Wah
NKIL 6554 Ph 2	Kln	Kai Tak	30	511	JV with Henderson Land, Wharf & K.Wah
NKIL 6554 Ph 3	Kln	Kai Tak	30	405	JV with Henderson Land, Wharf & K.Wah
NKIL 6554 Ph 4	Kln	Kai Tak	30	510	JV with Henderson Land, Wharf & K.Wah
NKIL 6577 Ph 1	Kln	Kai Tak	30	1,017	JV with wheelock & K.Wah
<b>Country Garden</b>					
Allergo	Kln	Kowloon City	100	190	Presale consent pending approval
<b>Shimao Group</b>					
NKIL 6542 Ph 1	Kln	Beacon Hill	100	336	Presale consent pending approval
<b>Poly Property</b>					
NKIL 6553	Kln	Kai Tak		582	JV with CR Land
NKIL 6593	Kln	Yau Tong	100	634	Presale consent pending approval
<b>Far East Consortium</b>					
Mount Arcadia	NT	Shatin	100	66	Presale consent obtained in Mar-20
<b>Emperor International</b>					
RBL 1198	HK	Shouson Peak		15	Pre-sale consent obtained in Apr-20
<b>Great Eagle</b>					
Ho Man Tin Station Ph 1A	Kln	Ho Man Tin		447	Presale consent pending approval
<b>Lai Sun Development</b>					
Bal Residence	Kln	Kwun Tong	100	156	Presale consent pending approval
<b>Hong Kong Ferry</b>					
NKIL 6559	Kln	Sham Shui Po	100	262	Presale consent pending approval
<b>Logan Property</b>					
APIL136	HK	Ap Lei Chau		295	Pre-sale consent obtained in Jul-21
<b>Road King</b>					
TMTL 520	NT	Tuen Mun		698	Presale consent pending approval
<b>K&amp;K Property</b>					
RBL 1201	HK	Stanley	100	82	Presale consent pending approval

Source: DBS HK

**Home prices will continue to consolidate.** With the rapid spread of Omicron variant in early Jan-22, the government has tightened the social distancing measures again. In the secondary market, prospective homebuyers have deferred property viewings to avoid virus infection. Transaction volume dropped further to <3,000 units in Jan-22 from a monthly average of c.3,200 units in 4Q21 and should fall further in Feb/Mar. Against this backdrop, home prices should consolidate further in the short term. We project that private residential prices will fall 2-3% in 1Q22

**New project launches deferred.** Property developers have slowed down new project launches in the primary market. Only Henderson Land launched The Harmonie in Sham Shui Po for pre-sale. Yet, market response remained satisfactory due to reasonable pricing. More than 200 units have been pre-sold at an ASP of HK\$22,600psf representing >60% of a total of 337 units. This reflects that the end-user demand, though moderating, remains resilient.

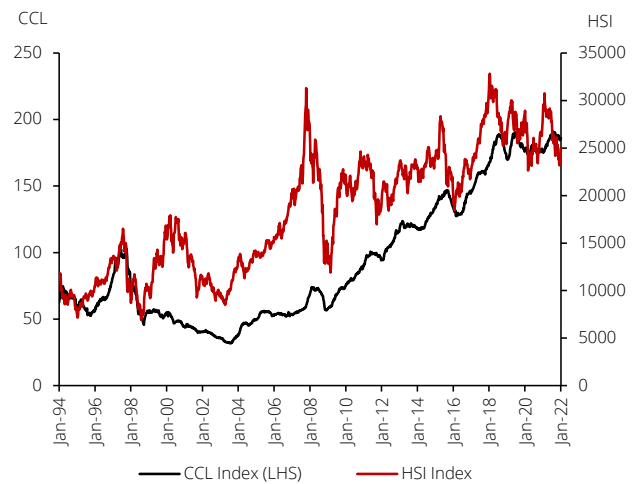
**Negative wealth effect from volatile financial market.** Since Jul-21, Hang Seng Index has fallen 18% to the current 23,550 level primarily led by China regulatory concerns. In our opinion, the stock market correction has weakened sentiment leading to a consolidation in secondary market activities and home prices since Aug-21. Negative wealth effect from any financial market volatility could further dent home buying activities in 2022.

**Hang Seng Index**



Source: Bloomberg Finance L.P.

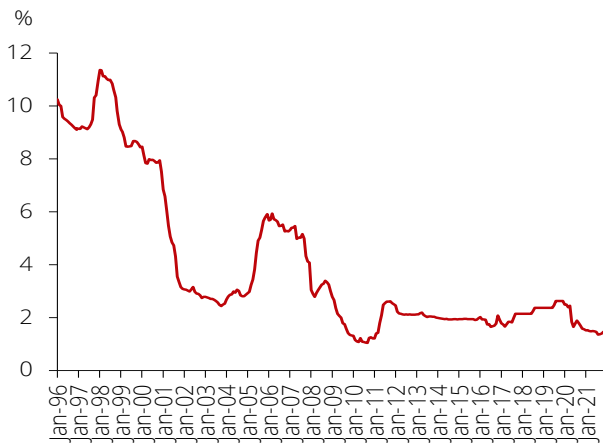
**Home prices vs Hang Seng Index**



Source: Bloomberg Finance L.P.

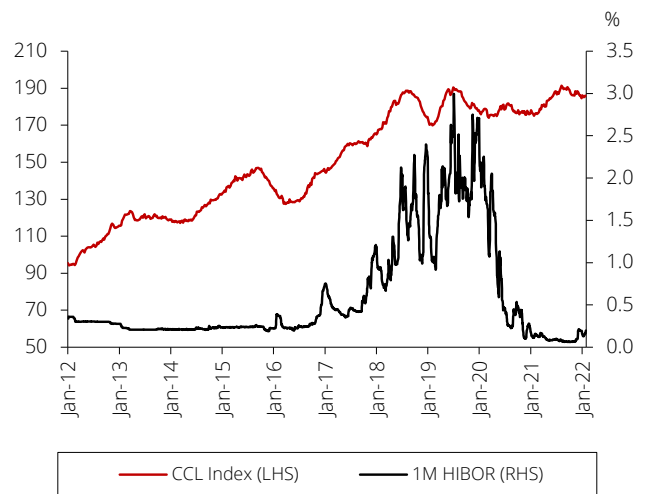
**Forthcoming interest rate hikes.** The mortgage rate is benchmarked to the 1-month HIBOR, which has risen slightly to 0.2% towards the end of 2021. Yet, effective mortgage rate remains favourable at c.1.5%, which is below the rental yield. We believe the interest rate could come under upward pressure when the US Fed starts to hike the rate. We expect the effective mortgage rate to rise to 2.25% by end-22, which is yet to be alarming. The monthly mortgage repayment for a HK\$8m flat will increase by HK\$2,376 or 10.7% assuming loan-to-value (LTV) ratio of 80%, and a 30-year mortgage period. Nonetheless, the impact on housing demand should not be overplayed unless the interest rate hike comes earlier and faster than expected.

**Effective mortgage rate**



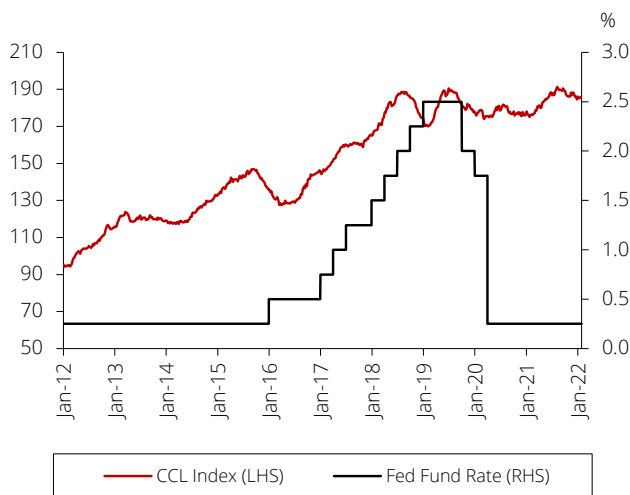
Source: DBS HK

**Home prices vs 1M HIBOR**



Source: Centaline Property Agency

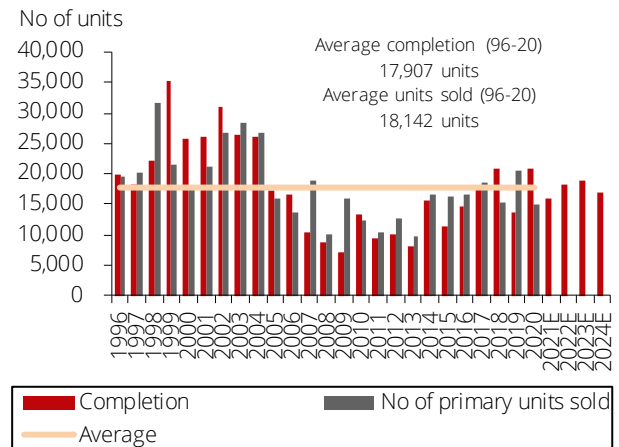
**Home prices vs US Fed fund rate**



Source: Centaline Property Agency

**New private home supply expected to remain constrained** in the years ahead. We project the number of new residential units completed in 2022-2024 will average 18,100 p.a., broadly in line with the 25-year average of 17,900 during 1996-2020. Moreover, thanks to smooth project pre-sales, about 28% of these new units have been pre-sold already. Against this backdrop, market should be able to absorb the supply barring any sharp shortfall in housing demand.

**Private residential supply**



Source: DBS HK

### Hong Kong Property Sector (Residential)

**Border re-opening is a wild card.** The COVID resurgence has inevitably delayed the long-awaited re-opening of the border with Mainland China. Border re-opening is important in driving housing demand growth. Mainland buyers used to account for a meaningful portion of home buying activities prior to the COVID outbreak, especially in the primary luxury home market. The pandemic-led border control measures made property viewing difficult, if not impossible, for those affluent Mainland buyers. Furthermore, a full recovery of the overall economy, particularly in retail and hospitality sectors, will hinge on the timing and scale of the re-opening of cross border travel. This in turn determines the residential demand outlook. Any gradual relaxation of travel restrictions, if they materialise, should provide a boost to housing market sentiment.

We expect to see a gradual economic recovery after the current wave of COVID outbreak is over. As such, home prices should regain the lost ground in 2H22, barring any unforeseen external shocks or policy changes. All factors considered, we forecast that residential prices should be broadly stable for the full year of 2022.

**Hong Kong Property Sector (Residential)**

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**Land market**

In 2021, the government sold a total of eight residential or residential/commercial plots via tender for HK\$36.6bn. Upon completion, these projects are estimated to provide c.3,600 residential units with the bulk from the Northern Metropolis.

The land market in Northern Metropolis was the focus in 2021. Between Apr-21 and Aug-21, four residential or residential/commercial sites in Kwu Tung, Fanling and Yuen Long went to SHKP, Wing Tai Properties, Wheelock & Co, and CKAH, with accommodation values ranging from HK\$7,184psf to HK\$9,209psf. High winning bids reflected the developers' optimistic view of the future market outlook of the area.

In Nov-21, MTRC decided not to accept any tender for the Tung Chung Traction Substation site from five developers as their bids failed to meet the company's expectations. The tender outcome, however, does not come as a surprise as the land premium appeared high in our view. Reportedly, the land premium has been fixed at HK\$4.765bn or HK\$5,072psf. In addition to land premium, the developer has to pay MTRC a lump sum of at least HK\$250m and share 15% of profits. Besides, the long construction period also increases the investment risks. The Tung Chung Traction Substation site provides GFA of 0.94msf when completed. We believe MTRC will re-negotiate with the government to lower the land premium before relaunching the project for tender in the future.

Overall, MTRC only tendered out Wong Chuk Hang Station Package 5 & 6 to New World Development-led consortium and Wheelock & Co in 1H21. These two developments will altogether provide c.1,800 units upon completion.

After tendering out a small redevelopment project in Sham Shui Po in May-21, the Urban Renewal Authority (URA) has awarded the redevelopment rights of two large projects in To Kwa Wan, which will altogether provide >1,800 units upon project completion, in 2H21.

In Sep-21, Henderson Land secured the redevelopment rights of the Bailey Street/Wing Kwong Street project with a winning bid of HK\$8.19bn or Hk\$11,414psf. The Bailey Street/Wing Kwong Street redevelopment is an 8- 10-minute walk from both To Kwa Wan MTR Station and Ho Man Tin MTR Station. This redevelopment will provide total

GFA of 0.72msf including 0.6msf for residential use and 0.12msf for retail purpose. About 1,150 units will be built. If sales proceeds exceed HK\$14.8bn, URA will share 20-50% of the excess revenue. The retail arcade will be held for rental for 10 years after project completion. Henderson Land and URA are entitled to 70% and 30% of its rental income respectively.

In Dec-21, Kerry Properties won the tender for the Hung Fook Street/Ngan Hon Street with land premium of HK\$5.58bn after defeating seven other developers. This translated into an accommodation value of HK\$12,591psf, 10% higher than that for the Bailey Street/Wing Kwong Street project in the neighbourhood, partly because this site is closer to To Kwa Wan MTR Station. This redevelopment project is smaller in scale with total GFA of 0.44msf including 73,900sf for retail purpose. About 665 units are expected to be built. Should sales proceeds exceed HK\$9bn, URA will share 20-50% of the excess revenue. Similar to the Bailey Street/Wing Kwong Street project, the retail portion will be held for rental for 10 years after project completion, with rental income shared between Kerry Properties (70%) and URA (30%) respectively.

Overall, we estimate c.7,300 units could be built on the sites sold via tenders by the government, MTRC and URA in 2021. This is below the levels in the previous two years.

## Land sales in 2021

Government Tender									
Date	Project/Lot No	Location	Location	Usage	GFA	Land Premium	Land Premium	Developers	Est. no of units
					(sf)	(HK\$m)	(HK\$psf)		
Feb-21	RBL1222	The Peak	HK	R	144,968	7,250	50,011	Wharf-led consortium	40
Feb-21	NKIL6604	Kai Tak	Kln	R	648,137	10,280	15,861	Cheung Kong Asset Holdings	775
Apr-21	FSSTL279	Kwu Tung	NT	R/C	1,199,120	8,614	7,184	SHKP	1,330
Jun-21	DD91LN4076	Fanling	NT	R	284,167	2,617	9,209	Wing Tai Properties	500
Jul-21	FSSTL 278	Kwu Tung	NT	R/C	492,384	4,185	8,499	Wheelock & Co	650
Aug-21	LN1677 in DD115	Yuen Long	NT	R	78,574	716	9,112	Cheung Kong Asset Holdings	70
Oct-21	NKIL 6638	Kowloon Tong	Kln	R	71,591	1,608	22,465	Lai Sun Development	60
Dec-21	TPTL234	Tai Po	NT	R	226,074	1,368	6,051	Chinachem Group	200
Railway Project Tender									
Jan-21	Wong Chuk Hang Station Package 5	Wong Chuk Hang	HK	R	636,146	6,437	10,119	New World -led consortium	1,050
Apr-21	Wong Chuk Hang Station Package 6	Wong Chuk Hang	HK	R	503,800	4,946	9,817	Wheelock & Co	750
Nov-21	Tung Chung Traction Substation site	Tung Chung	NT	R	939,688	4,765	5,071	Withdrawn	1,600
URA Tender									
May-21	Oak Street/Ivy Street redevelopment	Tai Kok Tsui	Kln	R/C	59,966	618	10,308	K&K Property	100
Sep-21	Bailey Street/Wing Kwong Street redevelopment	To Kwa Wan	Kln	R/C	717,457	8,189	11,414	Henderson Land	1,150
Dec-21	Hung Fook Street/Ngan Hon Street	To Kwa Wan	Kln	R/C	443,800	5,588	12,591	Kerry Properties	665

Source: Lands Department, MTR Corp, Urban Renewal Authority

However, the shortfall was more than compensated by units supplied from land usage conversion. In 2H21, a growing number of developers managed to replenish their residential land bank for development through usage conversion. HKR International finalised a land premium of HK\$5.24bn or HK\$4,030psf for converting a site adjacent to Poggibonsi in Discovery Bay into residential use with a GFA of >1.3msf. Kowloon Development concluded the land premium negotiations for the long-awaited redevelopment of St. Joseph Home for the Aged in Ngau Chi Wan. The land premium has been fixed at HK\$9.66bn.

In Sep-21, a joint venture company formed by Swire Properties (80%) and China Motor Bus (20%) accepted the land exchange offer for its Chai Wan bus depot site. The company will redevelop the site into residential/retail use from industrial after paying the land premium of HK\$4.54bn, or HK\$6,539psf. Back in 2015, this joint venture company acquired this land plot from CMB for HK\$850m. This redevelopment project will provide 800 residential units on total GFA of 694,272sf.

After finalising the land premium for the Tuen Mun project, a joint venture with Hansion Construction in 1Q21, SHKP

also paid a land premium of HK\$3.72bn for additional residential GFA of 1.06msf in its mega-sized Shap Sze Heung project in 4Q21. According to the revised development plan, this mega-sized development will provide GFA of 5.8msf with 9,500 units to be built.

Elsewhere, land premium negotiation for three residential projects in Yuen Long and one in Kam Tin, all converted from farmland, were concluded in 2H21. Overall, we see the land premium as favourable. Based on current home prices, these projects should offer at least 20% pre-tax development margins.

All-in, we estimate c.12,000 units could be built on the residential sites converted from other use in 2021.

## Land use conversion

Land use conversion										
Date	Project/Lot No	Location	Location	Usage	GFA	Land Premium	Land Premium	Developers	Est. no of	
					(sf)	(HK\$m)	(HK\$psf)		units	
Jan-21	TMTL496	Tuen Mun	NT	R	613,032	2,683	4,377	SHKP, Hansion	1,000	
May-21	LN 2143 DD 121	Yuen Long	NT	R	81,050	268	3,313	Hanison Construction	200	
May-21	LN 2209 DD 109	Kam Tin	NT	R	137,584	388	2,820	Cheung Kong Asset Holdings	200	
Aug-21	Shap Pat Heung Road	Yuen Long	NT	R	245,000	1,136	4,637	Kerry Properties/Topspring	400	
Aug-21	Discovery Bay Master Plan 7	Discovery Bay	NT	R	1,300,000	5240	4,031	HKR International/CITIC Pacific	1,800	
Sep-21	Chai Wan CMB bus depot redevelopment	Chai Wan	HK	R	694,292	4540	6,539	Swire Properties/China Motor Bus	800	
Sep-21	LN4822 in DD104	Yuen Long	NT	R	81,100	229.93	2,835	Henderson Land	150	
Oct-21	Redevelopment of St. Joseph Home for the aged	Ngau Chi Wan	Kln	R/C	2,163,300	9658	4,464	Kowloon Development	2,000	
Oct-21	TPTL 157	Ma On Shan	NT	R/C	1,064,600	3719	3,493	SHKP	4,800	
Nov-21	YLTL 461	Yuen Long	NT	R	171,000	818	4,784	Star Properties	300	
Dec-21	53, 53A, 55 & 55A Kwun Tong Road	Ngau Tau Kok	Kln	R	468,854	3061.42	6,530	China-based developer	808	

Source: Lands Department

In 2H21, cash strapped China-based developers have been offloading their development projects in Hong Kong. This provides good opportunity for local developers to replenish their land bank at attractive prices.

In Nov-21, debt-ridden Kaisa Group (1638 HK) sold its Kai Tak residential site to a consortium equally owned by New World Development and Far East Consortium for HK\$7.95bn or HK\$13,832psf. This project will provide GFA of 0.57msf when completed. Elsewhere, Kaisa Group reportedly sold its Tuen Mun residential project to a private developer for HK\$3.77bn. The company bought this site via government tender for HK\$3.5bn or HK\$6,005psf in Jan-20.

Shimao Group (813 HK) sold its 22.5% stake in Grand Victoria in Cheung Sha Wan to its project partner, Wheelock & Co, Sino Land and SEA Holdings for HK\$2.09bn with a loss of HK\$770m. Construction works of Grand Victoria is well underway with project completion scheduled in 2023. Since its initial launch in Mar-21, the developing consortium has sold c.47% of total 1,437 units at Grand Victoria.

## Hong Kong Property Sector (Residential)

## Share price performance – property developers

Name		1M	3M	6M	1H21	2H21	2021
Developers	Ticker	(%)	(%)	(%)	(%)	(%)	(%)
CK Asset Holdings	113 HK	6.1	8.9	(2.3)	34.7	(8.3)	23.5
CSI Properties	497 HK	1.0	(5.4)	(14.6)	11.1	(20.4)	(11.5)
Henderson Land	12 HK	2.3	5.4	(3.4)	21.7	(9.8)	9.8
K Wah Int'l	173 HK	0.7	(2.2)	(12.4)	1.1	(20.2)	(19.3)
Kerry Props	683 HK	8.6	0.9	(5.7)	30.3	(20.7)	3.4
Lai Sun Dev	488 HK	(2.4)	1.7	(21.8)	1.1	(20.4)	(19.4)
MTR Corp	66 HK	1.4	0.7	(8.9)	(0.2)	(3.2)	(3.5)
New World Dev	17 HK	4.3	(6.5)	(14.5)	11.8	(23.5)	(14.5)
Sino Land	83 HK	(0.9)	(10.9)	(20.3)	21.2	(20.7)	(3.9)
SHKP	16 HK	0.2	(7.4)	(15.9)	15.7	(18.2)	(5.4)
Tai Cheung	88 HK	2.3	0.6	(8.1)	4.7	(3.0)	1.5
Wharf	4 HK	14.4	1.7	1.3	42.0	(19.1)	14.9
Wing Tai Props	369 HK	6.0	3.0	(0.7)	29.9	(9.0)	18.2
HKR International	480 HK	0.3	1.3	(1.0)	15.3	(16.0)	(3.1)
<b>Market cap wt.</b>		<b>3.0</b>	<b>(0.6)</b>	<b>(9.2)</b>	<b>16.7</b>	<b>(13.1)</b>	<b>1.5</b>
Hang Seng Index		1.2	(7.9)	(7.6)	5.9	(18.8)	(14.1)
Hang Seng Prop. Index		3.4	(0.9)	(5.0)	8.5	(15.2)	(7.9)

Closing Price at Jan 28th, 2022

Source: Bloomberg Finance L.P.

In 2H21, property developers under our coverage posted share price declines ranging from 3% to 24%, outperforming the broad market. CKAH was the best performing heavyweight developer, with its share price falling 8%. For the full year of 2021, CKAH's share price jumped by 23%, primarily due to a share buyback in mid-2021. Disposal of aircraft leases in late 2021 also provided support to the share price. Henderson Land and Wharf Holdings also saw share price appreciation.

Property developers are trading at discounts of 14-84% to their respective current NAV estimates. This translated into a sector discount of 50% on a weighted average basis, which compares favourably with the 10-year average discount of 42%. Sector valuation is undemanding from a historical perspective. Most heavyweight developers saw their major shareholders raising stakes in the companies. Kerry Properties and CSI Properties also repurchased their shares. These should provide strong support to share prices in the sector. Within the sector, we like CKAH and SHKP.

**Cheung Kong Asset Holdings** has returned to land banking mode and spent >HK\$11bn replenishing its development land bank in Hong Kong through a government tender and agricultural land conversion in 2021. The recent disposal of aircraft leases helps free up capital and improve its financial

strength for new investments with better prospects during the post-COVID era. Following the company's share buyback in mid-2021, major shareholder, the Li family, has been raising its stake in CKAH, casting a vote of confidence over the company's prospects. The stock is trading at a 57% discount to our appraised current NAV. BUY with TP of HK\$63.2.

**SHKP** achieved contracted sales of HK\$22bn since Jul-21 thanks to robust sales proceeds from Wetland Seasons Bay and YOHO Hub in the Northern Metropolis. The company has a strong project launch pipeline in the coming six months. In addition to continued sales at YOHO Hub, SHKP plans to release the first phase of the Pak Shek Kok and Tuen Mun projects onto the market. The company recently increased the residential GFA of its mega-sized Shap Sze Heung project by 1.06msf following additional land premium payment. Moreover, it has revised up the number of units to be built. These enable it to maximise the development potential of this sizeable site. The stock is trading at a 61% discount to our assessed current NAV. Valuation is compelling from a historical perspective. BUY with HK\$118.20 TP.

Tenants' sales of **New World Development's** K11 malls in Hong Kong grew 23% during Jul-Nov 21, outperforming the overall retail market. Thanks to increased turnover rents led by retail sales recovery, revenue of K11 Musea rose 20% in 1HFY22. Coupled with better operating cost containment, operating profit from K11 Musea should grow noticeably in 1HFY22 thus driving earnings expansion of the Hong Kong rental portfolio. Despite the changing residential market conditions, New World Development has met its half-year contracted sales target in China for FY22. The company also secured three quick-win projects in the Greater Bay Area to accelerate returns and enhance margins. The stock is trading at a 60% discount to our appraised current NAV. BUY with HK\$39.25 TP.

**Sino Land** achieved contracted sales of HK\$6.5bn in 1HFY22 (Jul-Dec 21) aided by strong sales at 50%-owned La Marina in Wong Chuk Hang. About 81% of the total of 600 units has been taken up for HK\$35,700psf on average since its initial launch in Sep-21. In 2022, Sino Land plans to launch One Central Place in Central, and three other joint venture projects including Kam Sheung Road Station Package One, Lohas Park Station Package 11, and Wong Chuk Hang Station Package 4. With estimated net cash of HK\$38bn, the company should be well placed to pursue more accretive



## Hong Kong Property Sector (Residential)

acquisitions to bolster long-term growth. The stock is trading at a 59% discount to our appraised current NAV. Excluding net cash holdings, the remaining stub is trading at a 74% discount. BUY with HK\$12.0 TP.

**Henderson Land** was in acquisition mode in 2H21. After securing the redevelopment rights of the URA's To Kwa Wan project in Sep-21, the company won the tender of the Central harbourfront commercial site with a winning bid of HK\$50.8bn in Nov-21. Situated opposite the International Finance Centre, this development will provide a total GFA of 1.61msf upon the full completion in 2032. This should greatly expand the company's commercial footprint in Central and strengthen its recurring earnings base. This, in turn, leads to better earnings quality, which should justify higher stock valuation over the long term. The stock is trading at a 54% discount to our assessed current NAV. BUY with HK\$40.0 TP.

**Wharf Holdings** has sold three apartments at Mount Nicholson on the Peak, a 50/50 JV with Nan Fung Group, for HK\$1.78bn or HK\$137,600psf on average since Nov-21. This has generated decent profit to spice up the company's earnings. The company has an unparalleled land bank of >1.2msf for luxury developments. The upmarket projects are superbly located in Kowloon Tong and Kai Tak, and on the Peak, and should bring in respectable returns when completed. Besides, favourable retail reversionary growth of Chengdu IFS and Changsha IFS should help underpin rental income from China. The stock is trading 56% below our estimated current NAV. BUY with HK\$31.70 TP.

The patronage of **MTRC's** domestic service operations has returned to its pre-COVID level of >90% in 2H21 as the local economy gradually recovered. Continued border closures, however, had dragged income for the station commercial business. This was despite a rebound in advertising revenue. When tenants' sales growth in its shopping malls is slightly ahead of the broad market, negative rental reversion continues to work its way through MTRC's retail portfolio. The tender of the Tung Chung Traction Subtraction site has been withdrawn. The company will relaunch this project for tender. The stock is trading at a 14% discount to our estimated current NAV. BUY with HK\$48.40 TP.

Capitalising on strong proceeds from selling Kerry Logistics Network (KLN) shares and KLN's special dividend distribution, **Kerry Properties** is actively exploring acquisition opportunities to bolster its long-term earnings growth. The

company won the tender for the URA's To Kwa Wan redevelopment project in Dec-21. More importantly, Kerry Properties acquired the superbly located mixed-use development site in Shanghai's Huangpu district for Rmb13.3bn via tender in Jan-22. The site, comprising four plots of land, provides a GFA of 198,500sm including 124,500sm for residential development. In addition, the company is the selected tenderer for six other adjacent plots which will be mainly for office/retail use. We do not rule out the possibility of the company bringing in joint venture partners for this mixed-use project to reduce the capex requirement. Since Sep-21, Kerry Properties has repurchased 2.03m shares from the market, which helps support its share price. The stock is trading at a 74% discount to our appraised current NAV. BUY with HK\$28.40 TP.

**K. Wah International** achieved contracted sales of >HK\$14bn in 2021. K.Summit in Kai Tak is virtually sold out and substantially handed over to the buyers. K. Wah has a strong project launch pipeline for 2022. The company plans to offer the completed Grampian Road luxury housing project and Kam Sheung Road Station Package 1 for sale. Two joint venture residential projects in Kai Tak and Lohas Park Package 11 could also be available for sale in 2H22. In China, K. Wah will focus on selling projects in Shanghai, Nanjing, and Suzhou. The stock is trading 79% below our estimated current NAV. BUY with HK\$3.92 TP.

**Lai Sun Development** has been proactively replenishing its depleting development land bank in the past 12 months. After securing the development rights of Wong Chuk Hang Station Package 5 together with New World, CSI Properties, and Empire Group, the company acquired an old building in Ho Man Tin for redevelopment in Sep-21. In Oct-21, Lai Sun Development won the tender for a luxury residential site in Kowloon Tong for HK\$1.61bn. In Jan-22, the company acquired two ageing residential buildings in Mid-Levels for luxury redevelopment. This should lay the foundation for development earnings growth in the medium term. The counter is trading at an 84% discount to our appraised current NAV. BUY with HK\$5.26 TP. Any stake change by its second largest shareholder, the Yu family, would dictate the share price performance.

**CSI Properties** has brought in capital partners for its Novotel Hotel redevelopment in Jordan, which should be the company's medium-term earnings catalyst. Residential market sentiment in Sheung Shui has improved following the government's announcement to develop the Northern

### Hong Kong Property Sector (Residential)

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Metropolis in its Policy Address. This should facilitate the sales of the newly completed Cadenza which comprises six luxury houses. In addition, continued sales at Dukes Place and 8-12 Peak Road should support the company's near-term earnings. The stock is trading at an 83% discount to our appraised current NAV. BUY with HK\$0.335 TP.

**HKR international** concluded the land premium negotiation for Master Plan 7.0E for Discovery Bay, which will provide a GFA of >1.3msf. This large residential project should be the company's mid to long-term earnings driver, when completed in phases. The company has also been optimising its asset mix for long-term growth. It made its maiden foray into Hangzhou's office market in Sep-21, followed by the acquisition of a residential lot in Shanghai in Nov-21. On the other hand, HKR crystallised the value of three properties in Tokyo. This not only augments the company's bottom-line earnings but also frees up capital for new investments. The stock is trading at an 84% discount to our assessed current NAV. BUY with HK\$4.84 TP.

OMA OMA and OMA by the Sea, both in Tuen Mun, provide the mainstay **Wing Tai Properties'** near-term development earnings. These projects are substantially sold, implying high development earnings visibility. The foundation work of the Kwu Tung project will commence soon. This residential project should benefit from the development of the Northern Metropolis announced in the government's Policy Address. Occupancy of Landmark East is stable but negative reversionary growth should continue. The stock is trading 72% below our appraised current NAV. Despite inexpensive valuation, there is no near-term catalyst to narrow the discount to NAV. HOLD with HK\$4.93 TP.

**Tai Cheung's** 35%-owned Sheraton-Hong Kong Hotel in Tsim Sha Tsui commenced its HK\$400m renovation. Targeted for completion in mid-2022, the renovation work should help enhance the competitiveness of this hotel, enabling it to better attract guests when tourists return once the border reopens. Reopening the border with Mainland China is also crucial for the company to sell two luxury house developments on the Peak and in Repulse Bay. The stock is trading at a 78% discount to our assessed current NAV. Excluding net cash holdings, the remaining stub is trading at a 90% discount. However, we do not foresee any near-term catalysts to narrow its discount to NAV. HOLD with HK\$5.55 TP.

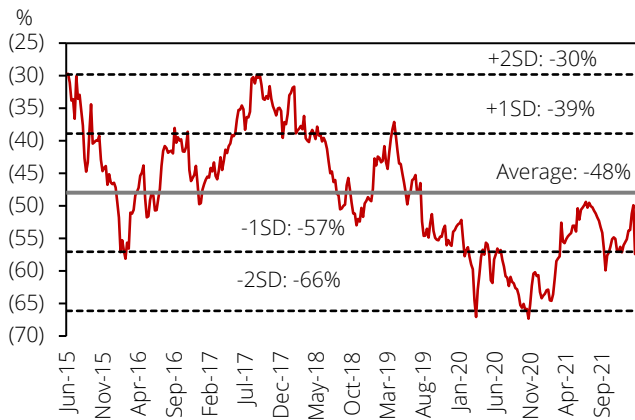
## Valuation comparison – Property Developers

Company	Code	FYE	Mkt Cap HK\$bn	Last Price HK\$	12-m target HK\$	Recom	PE FY22 x	PE FY23 x	Dec-22 NAV HK\$	Disc. to Dec-22 NAV %	Yield FY22 %	Yield FY23 %
CK Asset Holdings	1113 HK	Dec	190	52.15	63.20	BUY	8.5	8.4	126.3	(59)	4.0	4.0
CSI Property	497 HK	Mar	2	0.210	0.335	BUY	7.1	3.0	1.34	(84)	1.7	4.0
Henderson Land	12 HK	Dec	165	34.00	40.00	BUY	11.3	11.1	80.0	(57)	5.3	5.3
HKR Int'l	480 HK	Mar	5	3.11	4.84	BUY	4.9	5.6	19.4	(84)	2.9	3.9
K Wah Int'l	173 HK	Dec	10	3.05	3.92	BUY	5.8	5.6	15.7	(81)	6.9	6.9
Kerry Props	683 HK	Dec	32	22.15	28.40	BUY	6.1	5.8	94.6	(77)	6.1	6.1
Lai Sun Dev	488 HK	Jul	4	4.10	5.26	BUY	n.a.	n.a.	26.3	(84)	0.0	0.0
MTR Corp	66 HK	Dec	262	42.45	48.40	BUY	18.9	30.7	52.8	(20)	3.1	3.1
New World Dev	17 HK	Jun	80	31.65	39.25	BUY	10.7	9.8	87.2	(64)	6.5	6.5
Sino Land	83 HK	Jun	74	9.66	12.00	BUY	13.4	16.6	23.9	(60)	5.8	5.8
SHK Properties	16 HK	Jun	275	94.95	118.20	BUY	9.2	8.9	262.7	(64)	5.2	5.2
Tai Cheung	88 HK	Mar	3	4.88	5.55	HOLD	103.1	6.3	22.2	(78)	4.9	5.5
Wharf	4 HK	Dec	83	27.05	31.70	BUY	14.4	15.6	63.4	(57)	2.0	2.0
Wing Tai Properties	369 HK	Dec	6	4.45	4.93	HOLD	12.7	45.9	16.4	(73)	6.1	6.1

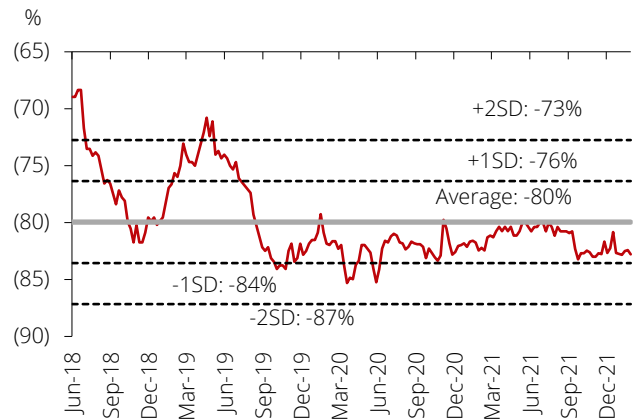
Source: Bloomberg Finance L.P., DBS HK

Discount to NAV - Property developers

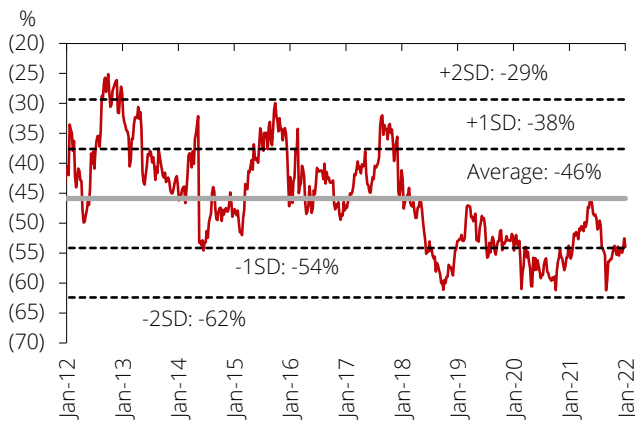
CK Asset Holdings



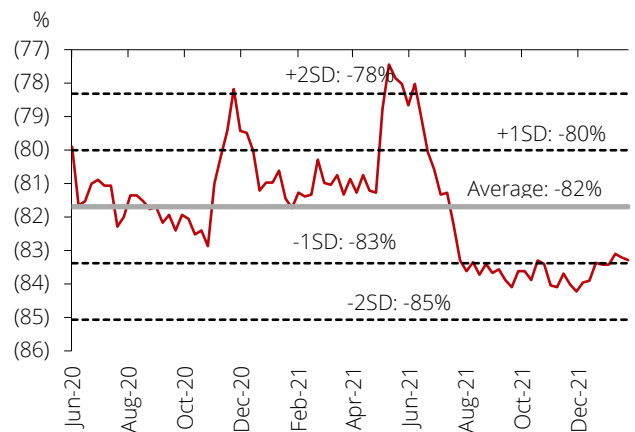
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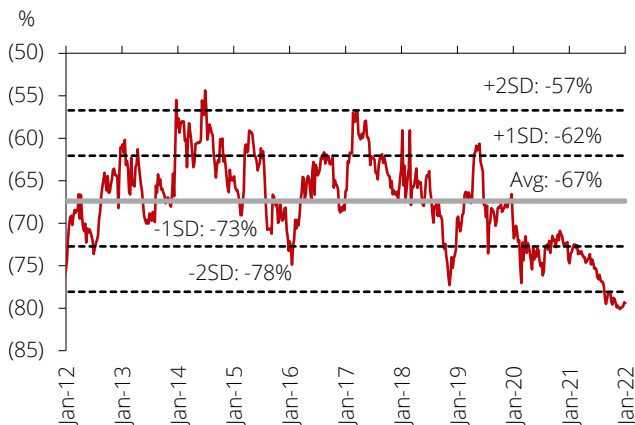
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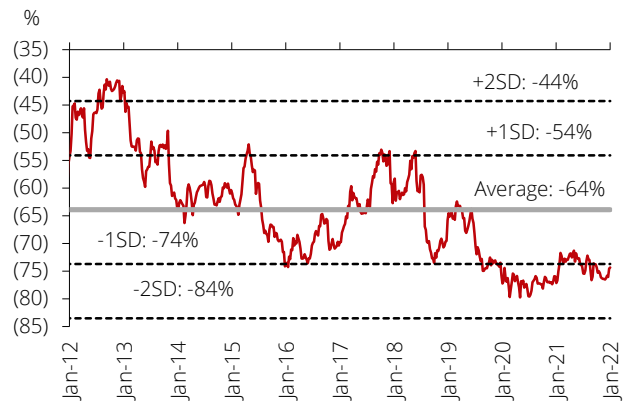
HKR International



K. Wah International



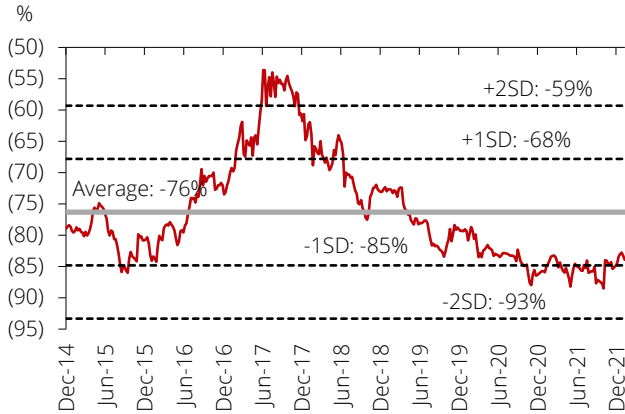
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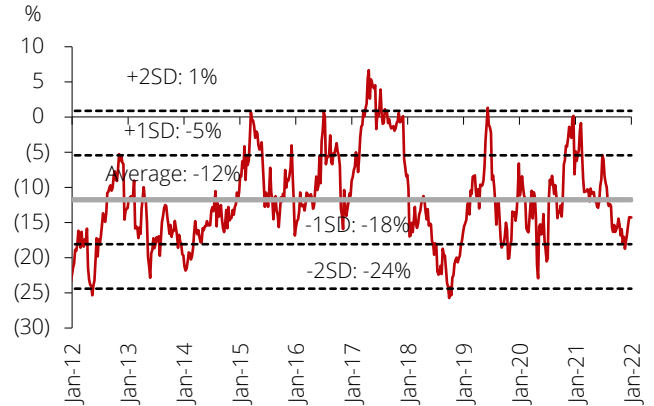
Source: Thomson Reuters, DBS HK

Discount to NAV - Property developers (continued)

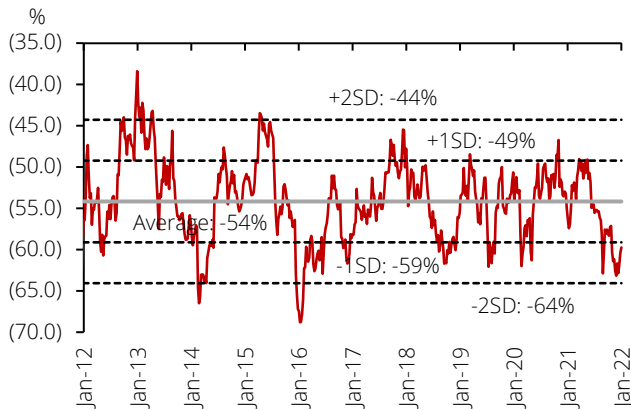
Lai Sun Development



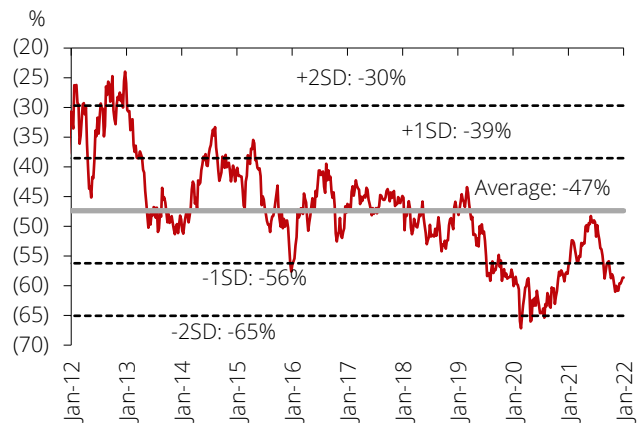
MTRC



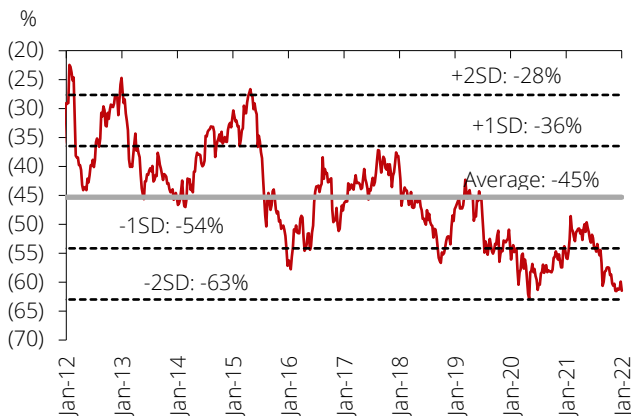
New World Development



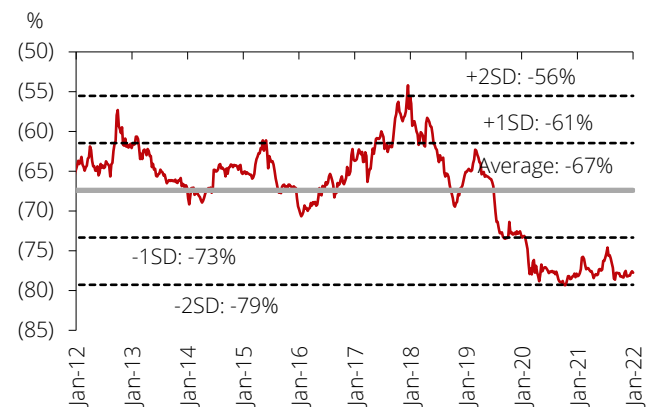
Sino Land



Sun Hung Kai Properties



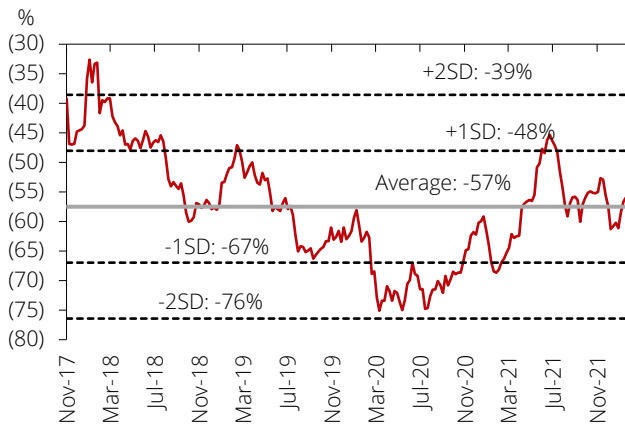
Tai Cheung Holdings



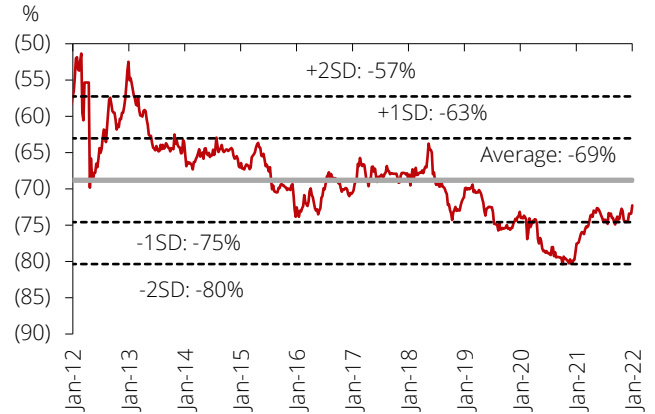
Source: Thomson Reuters, DBS HK

Discount to NAV - Property developers (continued)

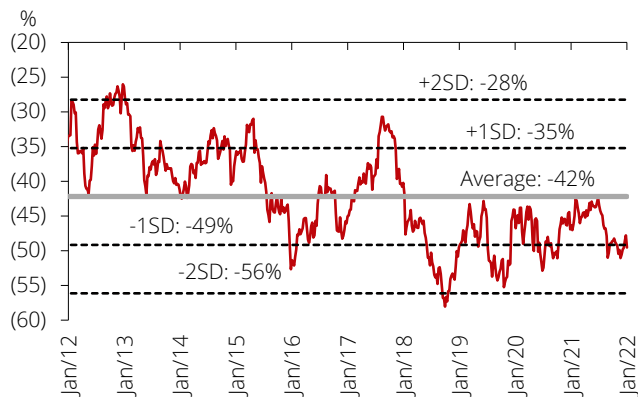
Wharf Holdings



Wing Tai Properties



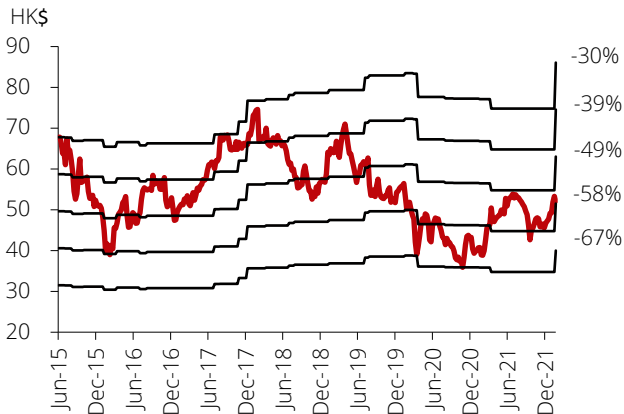
Sector Average



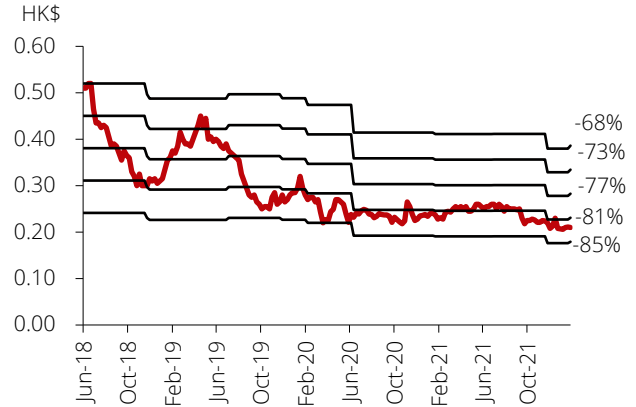
Source: Thomson Reuters, DBS HK

Discount to NAV band - Property developers

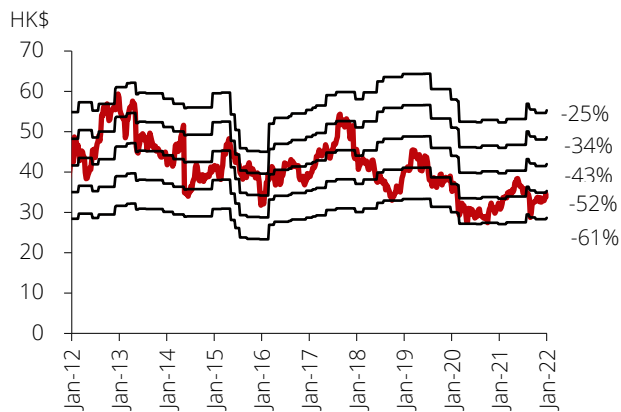
CK Asset Holdings



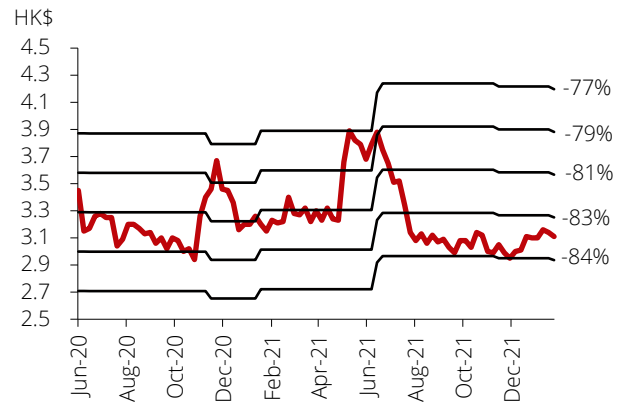
CSI Properties



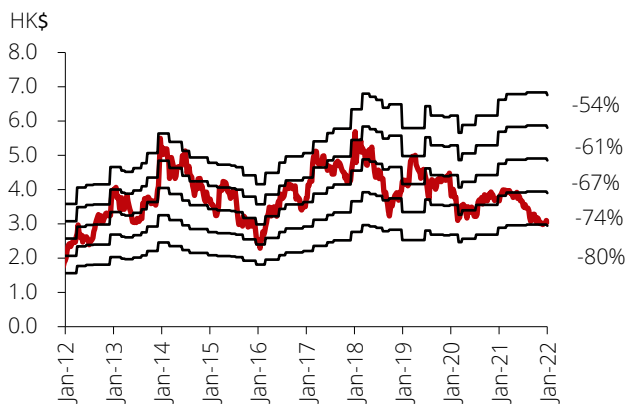
Henderson Land



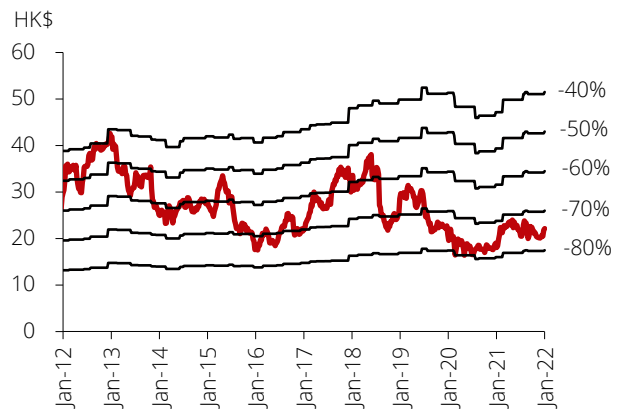
HKR International



K. Wah International



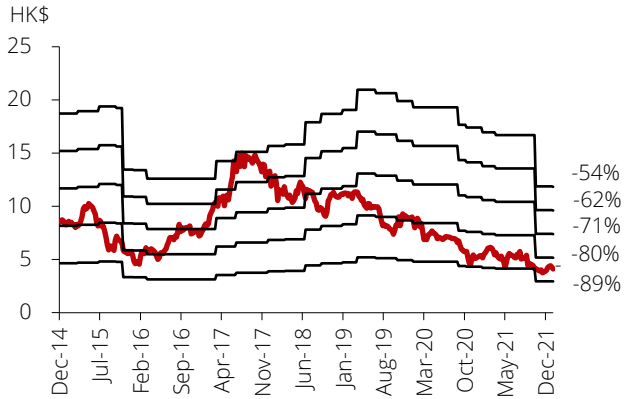
Kerry Properties



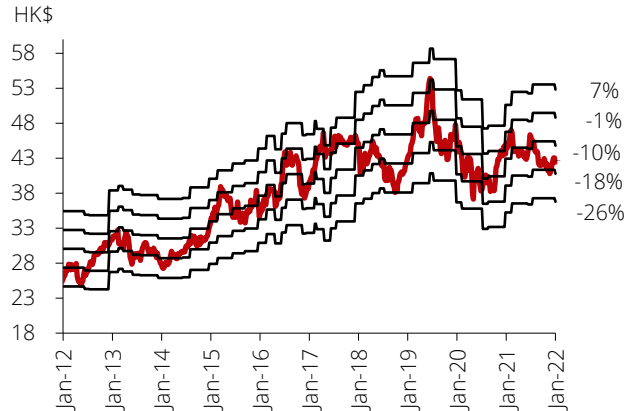
Source: Thomson Reuters, DBS HK

Discount to NAV band - Property developers (continued)

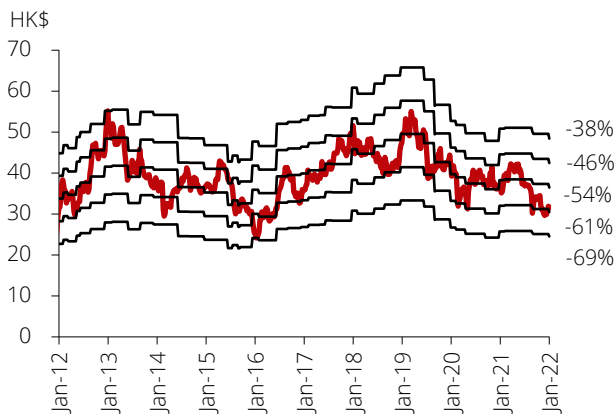
Lai Sun Development



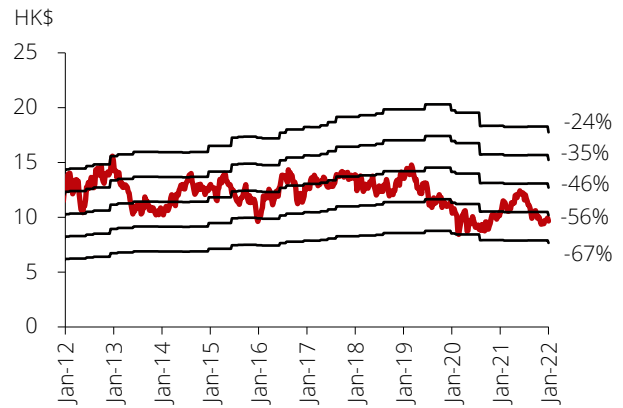
MTRC



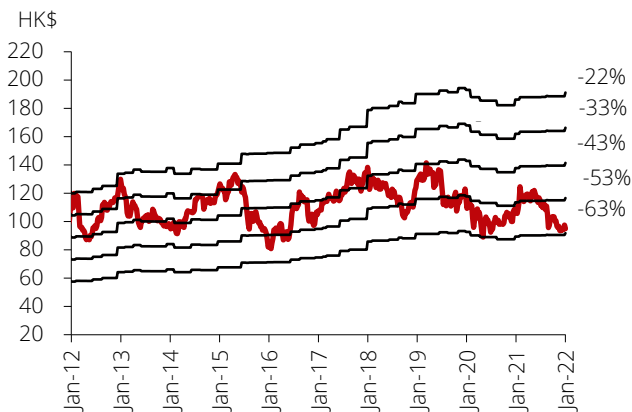
New World Development



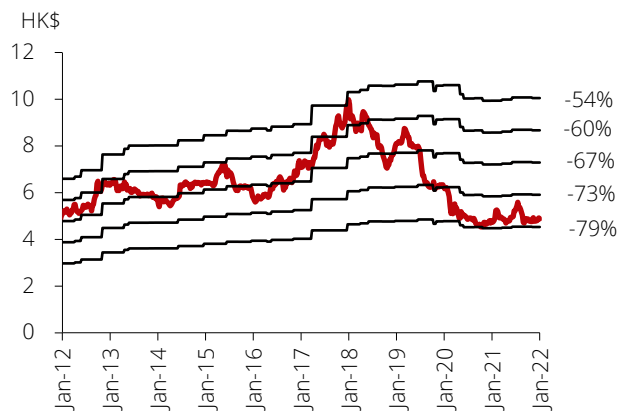
Sino Land



Sun Hung Kai Properties



Tai Cheung Holdings



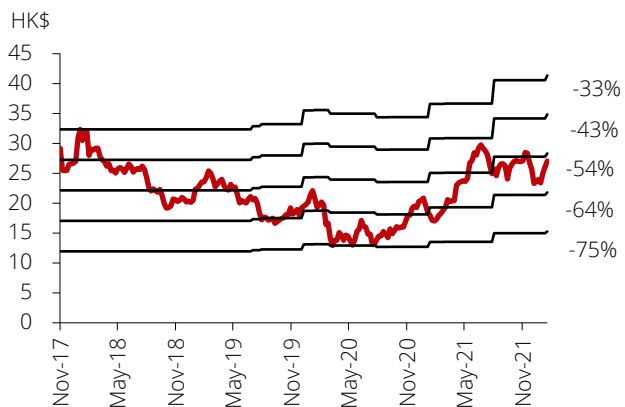
Source: Thomson Reuters, DBS HK



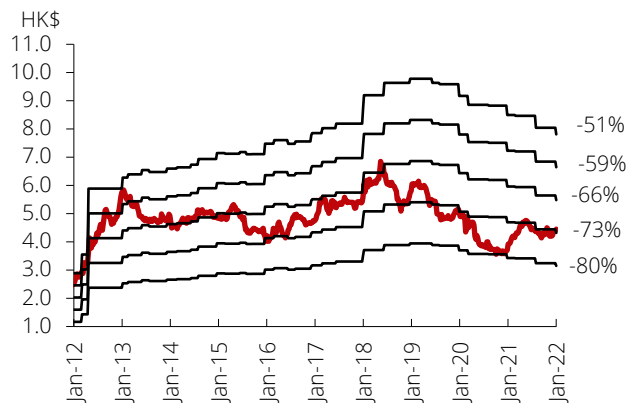
Hong Kong Property Sector (Residential)

Discount to NAV band - Property developers (continued)

Wharf Holdings



Wing Tai Properties



Source: Thomson Reuters, DBS HK

Hong Kong Property Sector (Residential)

Property Developers - Asset Breakdown

GAV Breakdown (%)	Cheung Kong Assets Holdings	CSI Props	Henderson Land	HKR Int'l	K. Wah	Kerry Props	Lai Sun Development
<b>HK</b>	<b>57</b>	<b>79</b>	<b>64</b>	<b>47</b>	<b>40</b>	<b>38</b>	<b>67</b>
Residential	19	33	16	23	37	28	17
Office	12	32	24	12	0	4	23
Retail	8	7	13	7	3	3	15
Hotel	13	3	1	2	0	0	10
Industrial	4	2	1	2	0	2	0
Others	1	0	8	0	0	0	3
Farmland	0	3	2	0	0	0	0
China	8	15	15	45	49	54	5
Overseas	7	0	0	5	0	3	26
Listed subsidiaries, associates & investments	3	5	21	2	11	4	2
Other assets	25	1	0	2	0	1	0
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

GAV Breakdown (%)	MTRC	New World Dev	Sino Land	SHKP	Tai Cheung	Wharf Holdings	Wing Tai Props
<b>HK</b>	<b>54</b>	<b>55</b>	<b>88</b>	<b>75</b>	<b>91</b>	<b>25</b>	<b>81</b>
Residential	24	13	30	25	61	24	18
Office	6	14	22	20	0	0	53
Retail	21	19	27	22	6	0	0
Hotel	0	8	3	5	23	0	7
Industrial	0	0	4	1	0	0	2
Others	3	1	1	2	0	1	0
Farmland	0	1	0	1	0	0	0
China	0	39	5	20	0	37	1
Overseas	0	0	5	1	8	0	14
Listed subsidiaries, associates & investments	0	6	1	2	1	35	4
Other assets	46	0	2	2	0	3	0
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

Source: DBS HK

**Hong Kong Property Sector (Residential)**

**Property Developers - NAV Sensitivity**

% increase in NAV if the following prices rise by 10%	Property Developers - NAV Sensitivity							
	Cheung Kong Asset Holdings	CSI Props	Henderson Land	HKR	K.Wah	Kerry Props	Lai Sun Dev.	
Office -HK	1.2%	7.2%	3.7%	1.8%	0.1%	0.6%	3.5%	
Retail - HK	0.9%	2.7%	1.7%	1.1%	0.4%	0.5%	2.5%	
Residential - HK	1.8%	8.5%	1.9%	4.1%	3.5%	3.4%	2.0%	
Hotels - HK	1.4%	0.9%	0.1%	0.3%	0.0%	0.0%	1.5%	
% increase in NAV if the following prices rise by 10%	MTRC	New World Dev	Sino Land	SHKP	Tai Cheung	Wharf Holdings	Wing Tai Props	
	0.6%	3.0%	1.7%	2.3%	0.0%	0.0%	8.1%	
Retail - HK	2.7%	5.2%	2.2%	2.6%	0.5%	0.0%	0.0%	
Residential - HK	1.2%	1.4%	1.6%	2.5%	5.1%	2.5%	2.5%	
Hotels - HK	0.0%	1.1%	0.3%	0.5%	2.0%	0.0%	1.1%	

Source: DBS HK

## Hong Kong Property Sector (Residential)

### Company shares buybacks

#### CK ASSET HOLDING (1113 HK)

Date	No. of shares	Avg price (HK\$)	Amount (HK\$)
17-Jun-21	242,000	51.93	12,567,750
16-Jun-21	2,036,000	51.92	105,711,500
15-Jun-21	872,000	51.77	45,144,250
4-Jun-21	380,000,000	51.00	19,380,000,000
<b>Total</b>	<b>383,150,000</b>	<b>51.01</b>	<b>19,543,423,500</b>

#### CSI (497 HK)

Date	No. of shares	Avg price (HK\$)	Amount (HK\$)
26-Jan-22	250,000	0.210	52,500
25-Jan-22	1,830,000	0.210	383,470
20-Jan-22	1,000,000	0.211	210,500
19-Jan-22	600,000	0.210	125,900
17-Jan-22	1,530,000	0.213	326,000
14-Jan-22	320,000	0.209	66,880
13-Jan-22	520,000	0.210	109,180
12-Jan-22	2,810,000	0.208	584,590
11-Jan-22	800,000	0.205	164,360
4-Jan-22	10,000	0.207	2,070
30-Dec-21	1,050,000	0.206	216,320
29-Dec-21	1,240,000	0.208	257,360
28-Dec-21	30,000	0.206	6,180
22-Dec-21	1,200,000	0.206	247,400
20-Dec-21	240,000	0.211	50,640
7-Oct-21	2,850,000	0.226	645,450
27-Sep-21	310,000	0.220	68,200
26-Aug-21	3,000,000	0.250	750,000
25-Aug-21	6,000,000	0.255	1,530,000
23-Aug-21	3,000,000	0.255	765,000
20-Aug-21	6,000,000	0.255	1,530,000
18-Aug-21	6,000,000	0.255	1,530,000
17-Aug-21	9,000,000	0.255	2,295,000
16-Aug-21	11,000,000	0.255	2,805,000
13-Aug-21	10,000,000	0.255	2,550,000
12-Aug-21	12,950,000	0.255	3,302,250
11-Aug-21	6,000,000	0.255	1,530,000
10-Aug-21	4,000,000	0.255	1,020,000
9-Aug-21	4,000,000	0.255	1,020,000
4-Aug-21	700,000	0.255	178,500
3-Aug-21	1,070,000	0.250	267,500

Source: HK Exchange

## Hong Kong Property Sector (Residential)

### Company shares buybacks (continued)

#### CSI (497 HK)

Date	No. of shares	Avg price (HK\$)	Amount (HK\$)
29-Mar-21	2,000,000	0.255	510,000
26-Mar-21	720,000	0.250	180,000
25-Mar-21	1,010,000	0.250	252,500
24-Mar-21	2,000,000	0.250	500,000
23-Mar-21	540,000	0.250	135,000
18-Mar-21	4,000,000	0.255	1,020,000
12-Mar-21	10,110,000	0.255	2,577,500
11-Mar-21	280,000	0.248	69,440
10-Mar-21	2,760,000	0.247	682,470
9-Mar-21	2,540,000	0.247	627,960
10-Feb-21	1,800,000	0.230	414,000
19-Jan-21	6,300,000	0.240	1,512,300
18-Jan-21	6,000,000	0.240	1,440,000
14-Jan-21	580,000	0.240	139,200
13-Jan-21	2,000,000	0.240	480,000
12-Jan-21	7,200,000	0.240	1,728,000
11-Jan-21	5,000,000	0.239	1,195,640
8-Jan-21	7,900,000	0.239	1,889,560
7-Jan-21	10,000,000	0.237	2,372,000
6-Jan-21	7,740,000	0.236	1,828,640
5-Jan-21	10,000,000	0.237	2,365,990
4-Jan-21	10,000,000	0.237	2,369,000
<b>Total</b>	<b>199,790,000</b>	<b>0.245</b>	<b>48,879,450</b>

#### KERRY PPT (683 HK)

Date	No. of shares	Avg price (HK\$)	Amount (HK\$)
23-Dec-21	5,000	19.90	99,500
22-Dec-21	200,000	19.89	3,978,480
21-Dec-21	200,000	19.87	3,973,910
20-Dec-21	200,000	19.85	3,969,480
15-Dec-21	215,500	19.94	4,296,560
14-Dec-21	500,000	19.83	9,913,000
13-Dec-21	95,000	19.97	1,897,200
2-Dec-21	100,000	19.97	1,997,000
29-Sep-21	10,000	19.98	199,800
28-Sep-21	4,000	19.96	79,840
21-Sep-21	500,000	19.73	9,864,280
<b>Total</b>	<b>2,029,500</b>	<b>19.84</b>	<b>40,269,050</b>

Source: HK Exchange

## Hong Kong Property Sector (Residential)

### Company shares buybacks (continued)

#### NEW WORLD DEV (17 HK)

Date	No. of shares	Avg price (HK\$)	Amount (HK\$)
30-Aug-21	500,000	36.75	18,375,000
27-Aug-21	405,000	37.00	14,985,000
26-Aug-21	1,100,000	36.97	40,662,300
25-Aug-21	699,000	37.01	25,872,450
24-Aug-21	964,000	36.94	35,614,700
23-Aug-21	282,000	37.00	10,434,000
20-Aug-21	1,300,000	36.91	47,982,650
19-Aug-21	734,000	36.98	27,146,250
18-Aug-21	500,000	37.30	18,650,000
17-Aug-21	500,000	37.30	18,650,000
12-Aug-21	500,000	37.30	18,650,000
11-Aug-21	500,000	37.15	18,575,000
10-Aug-21	1,492,000	36.92	55,090,200
9-Aug-21	303,000	37.16	11,259,100
6-Aug-21	1,000,000	37.08	37,084,000
5-Aug-21	794,000	36.99	29,373,000
4-Aug-21	721,000	37.14	26,781,150
3-Aug-21	1,500,000	37.06	55,586,800
2-Aug-21	267,000	37.00	9,878,000
30-Jul-21	2,000,000	36.85	73,690,950
29-Jul-21	675,000	36.98	24,961,800
28-Jul-21	1,661,000	36.90	61,297,250
27-Jul-21	2,283,000	36.79	83,983,200
21-Jul-21	331,000	37.00	12,247,000
20-Jul-21	5,000	37.00	185,000
14-Jul-21	1,000,000	37.04	37,039,550
13-Jul-21	1,000,000	37.21	37,213,850
9-Jul-21	3,000,000	37.35	112,039,500
<b>Total</b>	<b>26,016,000</b>	<b>37.03</b>	<b>963,307,700</b>

Source: HK Exchange

## Major shareholder stake increase

CK ASSET HOLDING (1113 HK)						
Name of substantial shareholder	No. of shares involved	Buy/Sell	Average price per share (HK\$)	No. of shares interested	% of issued share capital	Date of relevant event
Li Tzar Kuoi, Victor	117,000	B	51.74	1,688,741,093	46.34	14-Jan-22
Li Tzar Kuoi, Victor	147,500	B	45.03	1,688,624,093	46.34	2-Dec-21
Li Tzar Kuoi, Victor	280,000	B	46.63	1,688,476,593	46.34	12-Nov-21
Li Tzar Kuoi, Victor	112,500	B	47.67	1,688,196,593	46.33	10-Nov-21
Li Tzar Kuoi, Victor	277,000	B	47.83	1,688,084,093	46.33	5-Nov-21
Li Tzar Kuoi, Victor	100,000	B	46.60	1,687,807,093	46.32	19-Oct-21
Li Tzar Kuoi, Victor	140,000	B	46.48	1,687,707,093	46.31	18-Oct-21
Li Tzar Kuoi, Victor	197,500	B	46.29	1,687,567,093	46.31	15-Oct-21
Li Tzar Kuoi, Victor	330,000	B	45.14	1,687,369,593	46.31	11-Oct-21
Li Tzar Kuoi, Victor	358,500	B	45.38	1,687,039,593	46.3	8-Oct-21
Li Tzar Kuoi, Victor	450,000	B	45.76	1,686,681,093	46.29	7-Oct-21
Li Tzar Kuoi, Victor	406,000	B	44.92	1,686,231,093	46.27	6-Oct-21
Li Tzar Kuoi, Victor	302,500	B	44.83	1,685,825,093	46.26	5-Oct-21
Li Tzar Kuoi, Victor	370,000	B	44.55	1,685,522,593	46.26	4-Oct-21
Li Tzar Kuoi, Victor	390,000	B	45.30	1,685,152,593	46.24	30-Sep-21
Li Tzar Kuoi, Victor	240,000	B	44.81	1,684,762,593	46.23	29-Sep-21
Li Tzar Kuoi, Victor	340,000	B	43.77	1,684,522,593	46.23	28-Sep-21
Li Tzar Kuoi, Victor	380,000	B	43.27	1,684,182,593	46.22	27-Sep-21
Li Tzar Kuoi, Victor	609,000	B	42.99	1,683,802,593	46.21	24-Sep-21
Li Tzar Kuoi, Victor	492,500	B	43.46	1,683,193,593	46.19	23-Sep-21
Li Tzar Kuoi, Victor	330,000	B	42.51	1,682,701,093	46.18	21-Sep-21
Li Tzar Kuoi, Victor	1,200,000	B	42.30	1,682,371,093	46.17	20-Sep-21
Li Tzar Kuoi, Victor	404,000	B	45.29	1,681,171,093	46.14	17-Sep-21
Li Tzar Kuoi, Victor	650,000	B	46.25	1,680,767,093	46.12	16-Sep-21
Li Tzar Kuoi, Victor	494,000	B	48.27	1,680,117,093	46.11	15-Sep-21
Li Tzar Kuoi, Victor	500,000	B	49.30	1,679,623,093	46.09	14-Sep-21
Li Tzar Kuoi, Victor	350,000	B	48.56	1,679,123,093	46.08	13-Sep-21
Li Tzar Kuoi, Victor	324,500	B	48.45	1,678,773,093	46.07	10-Sep-21
Li Tzar Kuoi, Victor	350,000	B	47.67	1,678,448,593	46.06	9-Sep-21
Li Tzar Kuoi, Victor	400,000	B	48.03	1,678,098,593	46.05	8-Sep-21
Li Tzar Kuoi, Victor	390,000	B	47.79	1,677,698,593	46.04	7-Sep-21
Li Tzar Kuoi, Victor	495,500	B	49.82	1,677,308,593	46.03	3-Sep-21
Li Tzar Kuoi, Victor	520,000	B	50.45	1,676,813,093	46.02	2-Sep-21
Li Tzar Kuoi, Victor	350,000	B	51.15	1,676,293,093	46	1-Sep-21
Li Tzar Kuoi, Victor	400,000	B	50.92	1,675,943,093	45.99	31-Aug-21
Li Tzar Kuoi, Victor	350,000	B	50.85	1,675,543,093	45.98	30-Aug-21
Li Tzar Kuoi, Victor	422,500	B	50.68	1,675,193,093	45.97	27-Aug-21

Source: HK Exchange

## Major shareholder stake increase (continued)

CK ASSET HOLDING (1113 HK)						
Name of substantial shareholder	No. of shares involved	Buy/Sell	Average price per share (HK\$)	No. of shares interested	% of issued share capital	Date of relevant event
Li Tzar Kuoi, Victor	857,500	B	50.81	1,674,770,593	45.96	26-Aug-21
Li Tzar Kuoi, Victor	300,000	B	50.79	1,673,913,093	45.94	25-Aug-21
Li Tzar Kuoi, Victor	500,000	B	50.87	1,673,613,093	45.93	24-Aug-21
Li Tzar Kuoi, Victor	500,000	B	51.48	1,673,113,093	45.91	23-Aug-21
Li Tzar Kuoi, Victor	1,202,500	B	51.52	1,672,613,093	45.9	20-Aug-21
Li Tzar Kuoi, Victor	400,000	B	51.84	1,671,410,593	45.87	19-Aug-21
Li Tzar Kuoi, Victor	400,000	B	51.90	1,671,010,593	45.86	18-Aug-21
Li Tzar Kuoi, Victor	408,000	B	51.89	1,670,610,593	45.85	17-Aug-21
Li Tzar Kuoi, Victor	400,000	B	52.04	1,670,202,593	45.83	16-Aug-21
Li Tzar Kuoi, Victor	308,000	B	51.55	1,669,802,593	45.82	13-Aug-21
Li Tzar Kuoi, Victor	400,000	B	51.47	1,669,494,593	45.82	12-Aug-21
Li Tzar Kuoi, Victor	500,000	B	51.87	1,669,094,593	45.8	11-Aug-21
Li Tzar Kuoi, Victor	500,000	B	51.87	1,669,094,593	45.8	11-Aug-21
Li Tzar Kuoi, Victor	480,000	B	51.42	1,668,594,593	45.79	10-Aug-21
Li Tzar Kuoi, Victor	450,000	B	52.33	1,668,114,593	45.78	9-Aug-21
Li Tzar Kuoi, Victor	769,000	B	52.49	1,667,664,593	45.76	6-Aug-21
Li Tzar Kuoi, Victor	850,000	B	53.7180	1,666,895,593	45.74	2-Jul-21
Li Tzar Kuoi, Victor	700,000	B	53.77	1,666,045,593	45.68	30-Jun-21
Li Tzar Kuoi, Victor	460,000	B	53.60	1,665,345,593	45.66	29-Jun-21
Li Tzar Kuoi, Victor	115,000	B	53.32	1,664,885,593	45.65	28-Jun-21
Li Tzar Kuoi, Victor	410,000	B	53.27	1,664,770,593	45.65	25-Jun-21
Li Tzar Kuoi, Victor	480,000	B	53.30	1,664,360,593	45.63	24-Jun-21
Li Tzar Kuoi, Victor	643,500	B	52.85	1,663,880,593	45.62	22-Jun-21
Li Tzar Kuoi, Victor	957,000	B	52.47	1,663,237,093	45.6	21-Jun-21
Li Tzar Kuoi, Victor	333,333,333	B	51.00	1,662,280,093	45	18-Mar-21
Li Tzar Kuoi, Victor	130,000	B	39.84	1,328,946,760	35.98	11-Jan-21
Li Tzar Kuoi, Victor	120,000	B	39.85	1,328,816,760	35.97	8-Jan-21
Li Tzar Kuoi, Victor	140,000	B	39.94	1,328,696,760	35.97	7-Jan-21
Li Tzar Kuoi, Victor	140,000	B	40.15	1,328,556,760	35.97	6-Jan-21
K WAH INTL HLDGS (173 HK)						
Name of substantial shareholder	No. of shares involved	Buy/Sell	Average price per share (HK\$)	No. of shares interested	% of issued share capital	Date of relevant event
LUI Che Woo	428,000	B	3.17	2,042,877,043	65.26	16-Nov-21
LUI Che Woo	900,000	B	3.13	2,042,449,043	65.25	15-Nov-21
LUI Che Woo	419,000	B	3.17	2,041,549,043	65.22	12-Nov-21
LUI Che Woo	322,000	B	3.18	2,041,130,043	65.21	11-Nov-21
LUI Che Woo	332,000	B	3.12	2,040,808,043	65.2	10-Nov-21
LUI Che Woo	400,000	B	3.13	2,040,476,043	65.19	9-Nov-21

Source: HK Exchange



## Major shareholder stake increase (continued)

K WAH INTL HLDGS (173 HK)						
Name of substantial shareholder	No. of shares involved	Buy/Sell	Average price per share (HK\$)	No. of shares interested	% of issued share capital	Date of relevant event
LUI Che Woo	357,000	B	3.13	2,040,076,043	65.17	8-Nov-21
LUI Che Woo	700,000	B	3.07	2,039,719,043	65.16	5-Nov-21
LUI Che Woo	589,000	B	3.22	2,039,019,043	65.14	19-Oct-21
LUI Che Woo	470,000	B	3.27	2,038,430,043	65.12	18-Oct-21
LUI Che Woo	434,000	B	3.27	2,037,960,043	65.11	15-Oct-21
LUI Che Woo	268,000	B	3.26	2,037,526,043	65.09	12-Oct-21
LUI Che Woo	377,000	B	3.27	2,037,258,043	65.08	11-Oct-21
LUI Che Woo	386,000	B	3.24	2,036,881,043	65.07	8-Oct-21
LUI Che Woo	480,000	B	3.26	2,036,495,043	65.06	7-Oct-21
LUI Che Woo	2,800,000	B	2.80	2,035,567,043	65.03	6-Oct-21
LUI Che Woo	448,000	B	3.21	2,036,015,043	65.04	6-Oct-21
LUI Che Woo	480,000	B	3.20	2,035,567,043	65.09	5-Oct-21
LUI Che Woo	380,000	B	3.18	2,035,087,043	65.08	4-Oct-21
LUI Che Woo	500,000	B	3.17	2,034,707,043	65.06	30-Sep-21
LUI Che Woo	390,000	B	3.14	2,034,207,043	65.05	29-Sep-21
LUI Che Woo	364,000	B	3.13	2,033,817,043	65.03	28-Sep-21
LUI Che Woo	827,000	B	3.11	2,033,453,043	65.02	27-Sep-21
LUI Che Woo	800,000	B	3.13	2,032,626,043	65	24-Sep-21
LUI Che Woo	669,000	B	3.17	2,031,826,043	64.97	23-Sep-21
LUI Che Woo	362,000	B	3.14	2,031,157,043	64.95	21-Sep-21
LUI Che Woo	410,000	B	3.04	2,030,795,043	64.94	20-Sep-21
LUI Che Woo	376,000	B	3.85	2,030,385,043	64.93	21-Jan-21
LUI Che Woo	381,000	B	3.88	2,030,009,043	64.92	20-Jan-21
LUI Che Woo	441,000	B	3.85	2,029,628,043	64.91	19-Jan-21
LUI Che Woo	319,000	B	3.76	2,029,187,043	64.89	18-Jan-21
LUI Che Woo	389,000	B	3.76	2,028,868,043	64.88	15-Jan-21
LUI Che Woo	450,000	B	3.77	2,028,479,043	64.87	14-Jan-21
LUI Che Woo	357,000	B	3.76	2,028,029,043	64.86	13-Jan-21
LUI Che Woo	402,000	B	3.73	2,027,672,043	64.84	12-Jan-21
LUI Che Woo	536,000	B	3.69	2,027,270,043	64.83	11-Jan-21
LUI Che Woo	570,000	B	3.70	2,026,734,043	64.81	8-Jan-21
LUI Che Woo	476,000	B	3.71	2,026,164,043	64.8	7-Jan-21
LUI Che Woo	545,000	B	3.73	2,025,688,043	64.78	6-Jan-21
LUI Che Woo	529,000	B	3.73	2,025,143,043	64.76	5-Jan-21

Source: HK Exchange

## Major shareholder stake increase (continued)

LAI SUN DEV (488 HK)						
Name of substantial shareholder	No. of shares involved	Buy/Sell	Average price per share (HK\$)	No. of shares interested	% of issued share capital	Date of relevant event
Lam Kin Ngok, Peter	172,013,378	B	3.43	516,457,444	84.38	12-Aug-21
LAI SUN DEV (488 HK)						
Name of substantial shareholder	No. of shares involved	Buy/Sell	Average price per share (HK\$)	No. of shares interested	% of issued share capital	Date of relevant event
Yu Cheuk Yi	87,184,500	B		254,550,900	26.27	6-Oct-21
Yu Cheuk Yi	1,989,000	B	6.02	167,009,100	27.29	20-Aug-21
Yu Cheuk Yi	2,902,500	B	6.3944	162,000,000	26.47	3-Aug-21
Yu Cheuk Yi	6,030,000	B	6.2647	158,945,100	25.97	26-Jul-21
Yu Cheuk Yi	1,500,300	B	4.51	148,350,300	24.24	27-May-21
NEW WORLD DEV (17 HK)						
Name of substantial shareholder	No. of shares involved	Buy/Sell	Average price per share (HK\$)	No. of shares interested	% of issued share capital	Date of relevant event
Chow Tai Fook Enterprises Limited	420,000	B	30.78	1,137,528,609	45.2	29-Dec-21
Chow Tai Fook Enterprises Limited	400,000	B	30.40	1,137,108,609	45.18	28-Dec-21
Chow Tai Fook Enterprises Limited	300,000	B	29.68	1,136,708,609	45.17	24-Dec-21
Chow Tai Fook Enterprises Limited	500,000	B	29.70	1,136,408,609	45.16	23-Dec-21
Chow Tai Fook Enterprises Limited	1,000,000	B	38.22	1,135,908,609	44.74	4-Mar-21
Chow Tai Fook Enterprises Limited	1,000,000	B	38.18	1,134,908,609	44.7	3-Mar-21
SHK PPT (16 HK)						
Name of substantial shareholder	No. of shares involved	Buy/Sell	Average price per share (HK\$)	No. of shares interested	% of issued share capital	Date of relevant event
Kwong Siu Hing	120,000	B	96.79	787,787,761	27.19	24-Jan-22
Kwong Siu Hing	17,000	B	94.00	787,667,761	27.18	19-Jan-22
Kwong Siu Hing	376,500	B	93.93	787,650,761	27.18	18-Jan-22
Kwong Siu Hing	148,000	B	94.10	787,274,261	27.17	17-Jan-22
Kwong Siu Hing	23,500	B	94.30	787,126,261	27.16	13-Jan-22
Kwong Siu Hing	402,000	B	94.48	787,102,761	27.16	12-Jan-22
Kwong Siu Hing	47,000	B	93.28	786,700,761	27.15	16-Dec-21
Kwong Siu Hing	500,000	B	94.02	786,653,761	27.15	15-Dec-21
Kwong Siu Hing	1,000,000	B	94.80	786,153,761	27.13	30-Nov-21
Kwong Siu Hing	266,500	B	96.34	785,153,761	27.1	26-Nov-21
Kwong Siu Hing	742,000	B	99.07	784,887,261	27.09	25-Nov-21
Kwong Siu Hing	2,000	B	99.30	784,145,261	27.06	24-Nov-21
Kwong Siu Hing	108,000	B	99.44	784,143,261	27.06	23-Nov-21
Kwong Siu Hing	100,000	B	95.00	784,035,261	27.06	28-Sep-21
Kwong Siu Hing	670,000	B	94.75	783,935,261	27.05	27-Sep-21
Kwong Siu Hing	7,240,000	B	94.80	783,265,261	27.03	20-Sep-21
Kwong Siu Hing	538,000	B	104.58	776,025,261	26.78	17-Sep-21
Kwong Siu Hing	875,000	B	105.41	775,487,261	26.76	16-Sep-21
Kwong Siu Hing	450,000	B	106.69	774,612,261	26.73	15-Sep-21

Source: HK Exchange

## Major shareholder stake increase (continued)

SINO LAND (83 HK)						
Name of substantial shareholder	No. of shares involved	Buy/Sell	Average price per share (HK\$)	No. of shares interested	% of issued share capital	Date of relevant event
Ng Chee Siong	22,000	B	9.80	4,426,451,420	58.12	14-Jan-22
Ng Chee Siong	24,000	B	9.86	4,426,429,420	58.12	13-Jan-22
Ng Chee Siong	34,000	B	9.73	4,426,405,420	58.12	12-Jan-22
Ng Chee Siong	34,000	B	9.82	4,426,371,420	58.12	11-Jan-22
Ng Chee Siong	30,000	B	9.71	4,426,337,420	58.12	10-Jan-22
Ng Chee Siong	42,000	B	9.69	4,426,307,420	58.12	7-Jan-22
Ng Chee Siong	40,000	B	9.61	4,426,265,420	58.12	6-Jan-22
Ng Chee Siong	26,000	B	9.70	4,426,225,420	58.12	5-Jan-22
Ng Chee Siong	22,000	B	9.67	4,426,199,420	58.12	4-Jan-22
Ng Chee Siong	26,000	B	9.63	4,426,177,420	58.12	3-Jan-22
Ng Chee Siong	26,000	B	9.76	4,426,151,420	58.12	31-Dec-21
Ng Chee Siong	28,000	B	9.78	4,426,125,420	58.12	30-Dec-21
Ng Chee Siong	30,000	B	9.77	4,426,097,420	58.12	29-Dec-21
Ng Chee Siong	34,000	B	9.69	4,426,067,420	58.12	28-Dec-21
Ng Chee Siong	12,000	B	9.50	4,426,033,420	58.12	24-Dec-21
Ng Chee Siong	32,000	B	9.52	4,426,021,420	58.12	23-Dec-21
Ng Chee Siong	22,000	B	9.39	4,425,989,420	58.12	22-Dec-21
Ng Chee Siong	36,000	B	9.39	4,425,967,420	58.12	21-Dec-21
Ng Chee Siong	44,000	B	9.34	4,425,931,420	58.12	20-Dec-21
Ng Chee Siong	22,000	B	9.52	4,425,887,420	58.11	17-Dec-21
Ng Chee Siong	30,000	B	9.52	4,425,865,420	58.11	16-Dec-21
Ng Chee Siong	22,000	B	9.58	4,425,835,420	58.11	15-Dec-21
Ng Chee Siong	30,000	B	9.59	4,425,813,420	58.11	14-Dec-21
Ng Chee Siong	36,000	B	9.69	4,425,783,420	58.11	13-Dec-21
Ng Chee Siong	22,000	B	9.69	4,425,747,420	58.11	10-Dec-21
Ng Chee Siong	32,000	B	9.69	4,425,725,420	58.11	9-Dec-21
Ng Chee Siong	26,000	B	9.56	4,425,693,420	58.11	8-Dec-21
Ng Chee Siong	38,000	B	9.58	4,425,667,420	58.11	7-Dec-21
Ng Chee Siong	30,000	B	9.49	4,425,629,420	58.11	6-Dec-21
Ng Chee Siong	145,344,058	B	9.97	4,425,599,420	58.11	6-Dec-21
Ng Chee Siong	20,000	B	9.38	4,425,599,418	59.83	3-Dec-21
Ng Chee Siong	30,000	B	9.43	4,425,579,418	59.83	2-Dec-21
Ng Chee Siong	30,000	B	9.41	4,425,549,418	59.83	1-Dec-21
Ng Chee Siong	168,000	B	9.31	4,425,519,418	59.83	30-Nov-21
Ng Chee Siong	22,000	B	9.67	4,425,351,418	59.83	29-Nov-21
Ng Chee Siong	32,000	B	9.72	4,425,329,418	59.83	26-Nov-21
Ng Chee Siong	24,000	B	9.98	4,425,297,418	59.83	25-Nov-21
Ng Chee Siong	145,344,056	B	9.97	4,425,273,418	59.83	25-Nov-21

Source: HK Exchange

## Major shareholder stake increase (continued)

SINO LAND (83 HK)						
Name of substantial shareholder	No. of shares involved	Buy/Sell	Average price per share (HK\$)	No. of shares interested	% of issued share capital	Date of relevant event
Ng Chee Siong	26,000	B	9.99	4,279,929,362	57.86	24-Nov-21
Ng Chee Siong	20,000	B	9.96	4,279,903,362	57.86	23-Nov-21
Ng Chee Siong	26,000	B	9.98	4,279,883,362	57.86	22-Nov-21
Ng Chee Siong	38,000	B	9.96	4,279,857,362	57.86	19-Nov-21
Ng Chee Siong	28,000	B	10.08	4,279,819,362	57.86	18-Nov-21
Ng Chee Siong	22,000	B	10.11	4,279,791,362	57.86	17-Nov-21
Ng Chee Siong	20,000	B	10.05	4,279,769,362	57.86	16-Nov-21
Ng Chee Siong	22,000	B	10.00	4,279,749,362	57.86	15-Nov-21
Ng Chee Siong	26,000	B	10.11	4,279,727,362	57.86	12-Nov-21
Ng Chee Siong	30,000	B	10.12	4,279,701,362	57.86	11-Nov-21
Ng Chee Siong	30,000	B	10.02	4,279,671,362	57.86	10-Nov-21
Ng Chee Siong	28,000	B	9.93	4,279,641,362	57.86	9-Nov-21
Ng Chee Siong	40,000	B	10.00	4,279,613,362	57.86	8-Nov-21
Ng Chee Siong	32,000	B	9.93	4,279,573,362	57.86	5-Nov-21
Ng Chee Siong	16,000	B	9.93	4,279,541,362	57.86	4-Nov-21
Ng Chee Siong	22,000	B	9.86	4,279,525,362	57.86	3-Nov-21
Ng Chee Siong	20,000	B	9.95	4,279,503,362	57.86	2-Nov-21
Ng Chee Siong	16,000	B	10.11	4,279,483,362	57.86	1-Nov-21
Ng Chee Siong	30,000	B	10.20	4,279,467,362	57.86	29-Oct-21
Ng Chee Siong	26,000	B	10.89	4,279,437,362	57.86	28-Oct-21
Ng Chee Siong	20,000	B	10.83	4,279,411,362	57.86	27-Oct-21
Ng Chee Siong	26,000	B	10.80	4,279,391,362	57.86	26-Oct-21
Ng Chee Siong	30,000	B	10.91	4,279,365,362	57.85	25-Oct-21
Ng Chee Siong	38,000	B	10.91	4,279,335,362	57.85	22-Oct-21
Ng Chee Siong	26,000	B	10.82	4,279,297,362	57.85	21-Oct-21
Ng Chee Siong	26,000	B	10.81	4,279,271,362	57.85	20-Oct-21
Ng Chee Siong	2,044,000	B	10.82	4,279,245,362	57.85	19-Oct-21
Ng Chee Siong	32,000	B	10.82	4,277,201,362	57.83	18-Oct-21
Ng Chee Siong	38,000	B	10.87	4,277,169,362	57.83	15-Oct-21
Ng Chee Siong	30,000	B	10.78	4,277,131,362	57.82	12-Oct-21
Ng Chee Siong	36,000	B	10.75	4,277,101,362	57.82	11-Oct-21
Ng Chee Siong	38,000	B	10.72	4,277,065,362	57.82	8-Oct-21
Ng Chee Siong	66,000	B	10.65	4,277,027,362	57.82	7-Oct-21
Ng Chee Siong	36,000	B	10.37	4,276,961,362	57.82	6-Oct-21
Ng Chee Siong	36,000	B	10.43	4,276,925,362	57.82	5-Oct-21

Source: HK Exchange

## Major shareholder stake increase (continued)

SINO LAND (83 HK)						
Name of substantial shareholder	No. of shares involved	Buy/Sell	Average price per share (HK\$)	No. of shares interested	% of issued share capital	Date of relevant event
Ng Chee Siong	34,000	B	10.60	4,276,889,362	57.82	4-Oct-21
Ng Chee Siong	36,000	B	10.58	4,276,855,362	57.82	30-Sep-21
Ng Chee Siong	10,000	B	10.44	4,276,819,362	57.82	29-Sep-21
Ng Chee Siong	28,000	B	10.50	4,276,809,362	57.82	28-Sep-21
Ng Chee Siong	40,000	B	10.37	4,276,781,362	57.82	27-Sep-21
Ng Chee Siong	30,000	B	10.27	4,276,741,362	57.82	24-Sep-21
Ng Chee Siong	32,000	B	10.34	4,276,711,362	57.82	23-Sep-21
Ng Chee Siong	60,000	B	10.26	4,276,679,362	57.82	21-Sep-21
Ng Chee Siong	92,000	B	10.00	4,276,619,362	57.82	20-Sep-21
Ng Chee Siong	68,000	B	10.68	4,276,527,362	57.82	17-Sep-21
Ng Chee Siong	48,000	B	10.85	4,276,459,362	57.82	16-Sep-21
Ng Chee Siong	50,000	B	11.07	4,276,411,362	57.82	15-Sep-21
Ng Chee Siong	66,000	B	10.90	4,276,361,362	57.81	14-Sep-21
Ng Chee Siong	896,000	B	11.46	4,276,295,362	57.81	27-Aug-21
Ng Chee Siong	52,303,232	B	11.30	4,275,399,362	57.8	20-Apr-21
Ng Chee Siong	52,303,232	B	11.30	4,275,399,362	58.35	9-Apr-21
TAI CHEUNG HLDGS (88 HK)						
Name of substantial shareholder	No. of shares involved	Buy/Sell	Average price per share (HK\$)	No. of shares interested	% of issued share capital	Date of relevant event
Chan Pun, David	1,000	B	4.86	276,684,425	44.8	18-Jan-22
Chan Pun, David	2,000	B	4.88	276,683,425	44.8	13-Jan-22
Chan Pun, David	2,000	B	4.80	276,681,425	44.8	7-Jan-22
Chan Pun, David	2,000	B	4.83	276,679,425	44.8	3-Jan-22
Chan Pun, David	2,000	B	4.78	276,677,425	44.8	31-Dec-21
Chan Pun, David	1,000	B	4.78	276,675,425	44.8	21-Dec-21
Chan Pun, David	1,000	B	4.81	276,674,425	44.8	14-Dec-21
Chan Pun, David	1,000	B	4.86	276,673,425	44.8	7-Dec-21
Chan Pun, David	1,000	B	4.88	276,672,425	44.8	3-Dec-21
Chan Pun, David	1,000	B	4.88	276,671,425	44.8	29-Oct-21
Chan Pun, David	1,000	B	4.88	276,670,425	44.8	22-Oct-21
Chan Pun, David	1,000	B	4.88	276,670,425	44.8	22-Oct-21
Chan Pun, David	1,000	B	4.89	276,669,425	44.8	18-Oct-21
Chan Pun, David	1,000	B	4.89	276,668,425	44.8	15-Oct-21
Chan Pun, David	2,000	B	4.73	276,667,425	44.8	28-Sep-21
Chan Pun, David	2,000	B	4.79	276,665,425	44.8	23-Sep-21
Chan Pun, David	9,000	B	4.80	276,663,425	44.8	20-Sep-21
Chan Pun, David	1,000	B	5.04	276,654,425	44.8	16-Sep-21
Chan Pun, David	1,000	B	5.10	276,653,425	44.8	13-Sep-21

Source: HK Exchange

## Major shareholder stake increase (continued)

TAI CHEUNG HLDGS (88 HK)						
Name of substantial shareholder	No. of shares involved	Buy/Sell	Average price per share (HK\$)	No. of shares interested	% of issued share capital	Date of relevant event
Chan Pun, David	1,000	B	5.24	276,652,425	44.8	25-Aug-21
Chan Pun, David	2,000	B	5.52	276,651,425	44.8	17-Aug-21
Chan Pun, David	1,000	B	4.85	276,649,425	44.80	28-Apr-21
Chan Pun, David	4,000	B	4.88	276,648,425	44.80	22-Apr-21
Chan Pun, David	3,000	B	4.92	276,644,425	44.80	19-Apr-21
Chan Pun, David	3,000	B	4.90	276,641,425	44.80	16-Apr-21
Chan Pun, David	3,000	B	4.90	276,638,425	44.80	13-Apr-21
Chan Pun, David	3,000	B	4.94	276,635,425	44.80	29-Mar-21
Chan Pun, David	3,000	B	4.94	276,637,425	44.80	29-Mar-21
Chan Pun, David	4,000	B	4.92	276,632,425	44.80	26-Mar-21
Chan Pun, David	7,000	B	5.00	276,628,425	44.80	22-Mar-21
Chan Pun, David	11,000	B	5.10	276,621,425	44.79	18-Mar-21
Chan Pun, David	1,000	B	5.15	276,610,425	44.79	15-Mar-21
Chan Pun, David	2,000	B	5.28	276,609,425	44.79	8-Mar-21
Chan Pun, David	1,000	B	5.26	276,607,425	44.79	5-Mar-21
Chan Pun, David	1,000	B	5.24	276,606,425	44.79	26-Feb-21
Chan Pun, David	1,000	B	4.83	276,605,425	44.79	16-Feb-21
Chan Pun, David	1,000	B	4.73	276,604,425	44.79	9-Feb-21
Chan Pun, David	1,000	B	4.75	276,603,425	44.79	5-Feb-21
Chan Pun, David	1,000	B	4.72	276,602,425	44.79	28-Jan-21
Chan Pun, David	6,000	B	4.7367	276,601,425	44.79	25-Jan-21
Chan Pun, David	2,000	B	4.74	276,595,425	44.79	18-Jan-21
Chan Pun, David	1,000	B	4.70	276,593,425	44.79	15-Jan-21
Chan Pun, David	1,000	B	4.76	276,592,425	44.79	11-Jan-21
Chan Pun, David	2,000	B	4.81	276,591,425	44.79	7-Jan-21
Chan Pun, David	4,000	B	4.77	276,589,425	44.79	4-Jan-21
WHARF HLDG (4 HK)						
Name of substantial shareholder	No. of shares involved	Buy/Sell	Average price per share (HK\$)	No. of shares interested	% of issued share capital	Date of relevant event
Wheelock and Company	149,852,000	B	23.18	1,829,207,551	59.90	20-May-21

Source: HK Exchange

## Hong Kong Property Sector (Residential)

DBS HK recommendations are based on an Absolute Total Return\* Rating system, defined as follows:

**STRONG BUY** (>20% total return over the next 3 months, with identifiable share price catalysts within this time frame)

**BUY** (>15% total return over the next 12 months for small caps, >10% for large caps)

**HOLD** (-10% to +15% total return over the next 12 months for small caps, -10% to +10% for large caps)

**FULLY VALUED** (negative total return, i.e., > -10% over the next 12 months)

**SELL** (negative total return of > -20% over the next 3 months, with identifiable share price catalysts within this time frame)

\*Share price appreciation + dividends

Completed Date: 9 Feb 2022 17:09:38 (HKT)

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Sources for all charts and tables are DBS HK unless otherwise specified.

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### Hong Kong Property Sector (Residential)

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### Hong Kong Property Sector (Residential)

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