

Chairman and Chief Executive Officer's Statement



It is my pleasure to announce that the Group has once again defied a challenging business environment to deliver another solid year of results for our shareholders. Our business and geographical diversification played a central role in achieving this performance. Over the years, we had to work extra hard and use our balance sheet diligently to unlock opportunities in our operating regions. It was not plain sailing, but our strategy has again been vindicated by our ability to generate good returns for our shareholders in the last 12 months. The resilience of our business has definitely been on display as we navigated turbulent economic and market conditions.

For property development, our cumulative presales revenue stood at HK\$16.7 billion as at 31 March 2022, which is the Group's highest presales amount ever and provides strong visibility for future revenue. We made good progress on the handover of MeadowSide in Manchester and West Side Place (Towers 1 and 2) in Melbourne. Additionally, our recent launches of Mount Arcadia in Hong Kong and Queen's Wharf Residences (Tower 5) in Brisbane met with a strong response. The commercial component of our Kai Tak Development was presold with attractive returns. The upcoming years will mark a new growth phase for the Group, with several large-scale developments scheduled to be completed.

The rebound of the Group's hotel operations can be attributed to the exceptional work of the Dorsett management team. The prompt tactical adjustments made to the business model of each hotel property together with the strong relationships built with local and overseas authorities ensured that we became a partner of choice during the pandemic. Our Hong Kong hotels played a vital role in anti-pandemic efforts by serving as Designated Quarantine Hotels and Community Isolation Facility Hotels. Globally, many of our properties were used to support healthcare staff or quarantined travellers. As the world re-opens, we expect our hotel business to continue to recover. To top it off, a number of new hotel properties, namely Ritz-Carlton Melbourne and Dorsett Melbourne, will open in the upcoming years and will contribute to our revenue stream. Though the Group's car park and facilities management business was hit hard by lockdowns last financial year, it rebounded strongly as soon as restrictions were lifted. The integrated resort at Queen's Wharf, Brisbane is expected to open by phases starting in mid-2023 and is expected to contribute to the Group's future recurring performance.

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The Group progressed on its ESG journey at a steady pace. We implemented a sustainable finance framework to prepare for the possibility of raising green financing in the future. The Group has always believed in creating positive impacts and using our influence to contribute to the sustainability of our society. Regarding governance, we built on the reporting lines of the ESG Steering Committee as defined in the Group's ESG Report 2021 by expanding the ESG Working Group into several subcommittees according to their business functions. As a result, we were able to refine our bottom-up information flow and work more closely with regional teams to build upon their locally-tailored policies, with the aim of further systematising our existing sustainability strategy. We are very proud of the accolades that we received in FY2022, including "Most Committed to Social Causes in China" in FinanceAsia's 2021 Asia's Best Companies Poll; "Best ESG (E)," "Best ESG (S)" and "Best ESG (G)" at the HKIRA 7th Investor Relations Awards 2021 and "Best Environmental Responsibility" at the 11th Asian Excellence Award 2021.

Looking forward, we will continue focusing on strong returns and recurring income for our shareholders, as well as maintaining a steady dividend policy. We will remain flexible and adaptable to the ever-changing world, for innovation is a must and not a luxury. One of the keys to our continued success is our human resources; therefore, we make it a point to support our staff, as a prosperous company is made possible by its people. On a larger scale, all of our stakeholders and society as a whole need to be nurtured and prioritised as we continue on our journey to offer the best products and experiences to our customers.

We remain committed to our vision of growth while continuing to deliver a sustainable and attractive return to shareholders. With this in mind, I would like to take this opportunity to express my sincere gratitude to our shareholders, financiers, partners and our approximately 3,500 colleagues for their enduring support, which has been fundamental for the Group's success over the years. The year 2022 in particular is a special one, as it marks the Company's 50th anniversary as a listed company on The Stock Exchange of Hong Kong Limited.

David CHIU

Chairman and Chief Executive Officer

28 June 2022



**ALWAYS READY TO
AIM HIGH**



Dorsett Gold Coast

