



Stock Information

Stock price (HK\$, as at 28/02/2022)	2.70
52-week range (HK\$)	2.36-3.25
Market capitalisation (HK\$ bn)	6.46

1H FY2022 Interim Result Highlights

Earnings per share (HK cents)	44.7 (+202.0% YoY)
Dividend per share (HK cents)	4.0 (0% YoY)
NAV per share ⁽ⁱ⁾ (HK\$)	13.01 (-0.6% ⁽ⁱⁱⁱ⁾)
Net gearing ratio	56.1% (+1.2 ppts ⁽ⁱⁱⁱ⁾)
Total cumulative presales and unbooked contracted sales (HK\$ mn)	14,075 (+1.7% ⁽ⁱⁱⁱ⁾)

Investor Relations Contacts

Boswell Cheung

Chief Financial Officer & Company Secretary
boswell.cheung@fecil.com.hk
(852) 2850 0618

Toby Chan

IR and Corporate Finance Assistant Manager
toby.chan@fecil.com.hk
(852) 2850 0635

Christina Wong

IR and Corporate Finance Executive
christina.wong@fecil.com.hk
(852) 2850 0602

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I. 1H FY2022 Interim Results – Strong Profit Growth Despite Uncertain Times

On 30 November 2021, Far East Consortium International Limited (“FEC” or “the Group”) was pleased to announce its unaudited consolidated results for the six months ended 30 September 2021 (“1H FY2022”).

The Group recorded revenue of HK\$3.1 billion, a 0.3% increase as compared with the six months ended 30 September 2020 (“1H FY2021”). Despite the challenging market environment, the Group recorded satisfactory financial performance during 1H FY2022 as a result of quick actions to reposition its operations and cost structure while focusing on executing its strategy, including active asset recycling and replenishing its landbank. Combined with the gradual economic recovery and prudent actions taken last year, the Group is poised to resume its growth momentum in the years to come.

Though the COVID-19 pandemic continued to impact the Group’s businesses, a majority have made strong recoveries. In 1H FY2022, the Group recorded HK\$1.9 billion in revenue from property development, a decrease from 1H FY2021’s HK\$2.3 billion. Despite this, the Group’s development pipeline is proceeding smoothly, with two expected completions in the second half of financial year ended 31 March 2022 (“2H FY2022”). The respective handovers of West Side Place (Towers 1 and 2) and MeadowSide (Plot 5) have continued to progress, providing a steady and significant cash flow to the Group. Hotel revenues increased by 81.2% year-on-year, largely due to the continued business model adjustment to target quarantine guests. In particular, the Hong Kong hotels outperformed the market, recording a 89.2% growth in total revenue over the same period last year. The Group will complete two new hotels in 2H FY2022: Dorsett Gold Coast and Dao by Dorsett West London, the extension of Dorsett Shepherds Bush in London. Additionally, the Group also expects to complete Ritz-Carlton Melbourne in early FY2023. In spite of constant lockdowns, revenue from car park operations and facilities management bounced back by 43.3%, and the continued monetisation of non-core car parks are certain to speed up the road to recovery. After reopening for only three months, revenue from gaming operations rose by 8.0% year-on-year.

In 1H FY2022, profit before tax and net profit attributable to shareholders jumped year-on-year by 66.8% and 206.3% to HK\$1,385 million and HK\$1,071 million, respectively. Adjusted cash profit^(iv) was HK\$836 million, an increase of 186.3% as compared with 1H FY2021.

Earnings per share increased by 202.0%, rising from HK14.8 cents in 1H FY2021 to HK44.7 cents in 1H FY2022. The net asset value per share⁽ⁱ⁾ as at 30 September 2021 was HK\$13.01. The Group maintained an interim dividend of HK4.0 cents (1H FY2021: HK4.0 cents).

Notes:

(i) Includes hotel revaluation surplus and excludes Dorsett City London, which was disposed in June 2021.

(ii) As compared with 31.3.2021.

(iii) As compared to 31.3.2021, which only accounts for cumulative attributable presales.

(iv) Adjusted cash profit is calculated by adjusting for fair value changes in investment properties, provision for credit loss and fair value change in investment securities and by adding depreciation and amortisation charges to net profit attributable to shareholders.



MeadowSide Plot 5, Manchester



Dorsett Gold Coast

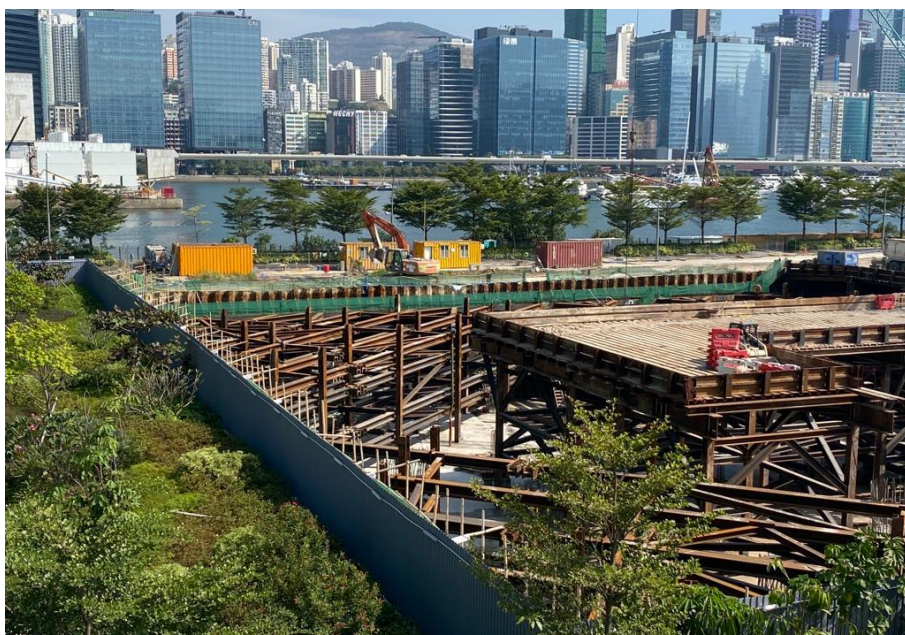


Dao by Dorsett West London

II. Landbank Replenishment in Kai Tak

In November 2021, the Group formed a 50/50 joint venture with New World Development Company Limited to acquire a significant residential development in Kai Tak, Hong Kong (“Kai Tak Residential”). The area has been undergoing transformational changes and will be developed into a vibrant business district. The acquisition is a significant addition to the Group’s property pipeline and is part of its landbank replenishment strategy. The upfront land cost to the Group of HK\$948 million was relatively attractive as compared with other land parcels in the vicinity; it also included substantial basement work, which saves a significant amount of construction time and cost.

The Kai Tak Residential development has approximately 515,000 sq. ft. of total saleable floor area and a total expected GDV of approximately HK\$14.0 billion. It is in a prime location of Kai Tak and will provide a magnificent sea view for the enjoyment of its future residents. The development is expected to be completed in FY2025.



Kai Tak Residential, Hong Kong



Kai Tak Residential, Hong Kong

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III. Landbank Replenishment in Lam Tei, Tuen Mun and Ho Chung, Sai Kung

In June 2021, the Group acquired a site in Lam Tei, Tuen Mun. It will have approximately 212,000 sq. ft. of total saleable floor area and a total expected GDV of approximately HK\$2.8 billion. The project is currently under planning, with the timetable and overall plans under review.

In September 2021, the Group entered into a joint venture to acquire a site in Ho Chung, Sai Kung with 33.3% ownership, for residential development. The development will be comprised of high-end houses for a total saleable floor area of approximately 56,640 sq. ft. and a total expected GDV of HK\$1.5 billion. Completion date and other details are currently under planning.

IV. Monetisation of Office Portion in Kai Tak Development

In August 2019, the Group won the tender for a piece of land in Kai Tak for mixed-use development. It comprises an office portion and a hotel portion that will house a flagship 400-room Dorsett hotel as well as some retail space. In December 2021, the Group announced that it had entered into a sale and purchase agreement with CLP Properties Limited to dispose of the office portion of this development for a total consideration of HK\$3.4 billion.

Mr. Chris HOONG, Managing Director of FEC, said: “We are delighted to have secured a purchaser for the office portion of our Kai Tak mixed-used development. The construction is progressing as planned and we look forward to opening our flagship Dorsett hotel when the Kai Tak Sports Park starts to welcome its first spectators in the year 2024.”



Kai Tak Development, Hong Kong



Construction Commencement Ceremony of Kai Tak Development, Hong Kong

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V. Disposal of 21 Anderson Road

In September 2021, the Group entered into a sale and purchase agreement to dispose of the freehold condominium development located at 21 Anderson Road in Singapore, which is comprised of 34 residential units. The sale amounted to an aggregate consideration of SGD213 million (equivalent to approximately HK\$1.2 billion) and was completed in November of the same year.

Mr. Dennis CHIU, Executive Director of FEC, said: “We are delighted to announce the disposal of the property at 21 Anderson Road in Singapore. The disposal again highlights the tremendous value hidden in our portfolio. We continue to see Singapore as a very attractive location for our property development business.”

Mr. Chris HOONG, Managing Director of FEC, said: “The disposal of 21 Anderson Road is another example of the Group’s desire to crystallise value and recycle capital. Having completed this summer the sale of the Dorsett City London Hotel, we continue to look across our portfolio for ways to optimise our asset mix and enhance our liquidity. We see many attractive opportunities globally to invest within our core business segments, in particular in property development. Our aim is to deploy our capital in projects that can deliver higher returns for the benefit of our shareholders.”



21 Anderson Road, Singapore



Consort Place, London

VI. Monetisation of Affordable Housing Units

As part of its increased ESG efforts, the Group entered into an agreement in 1H FY2022 with Trafford Housing Trust, part of L&Q, one of the largest housing associations in England, to sell 128 affordable housing units of Victoria Riverside in Manchester for approximately GBP26 million. Victoria Riverside is part of Victoria North, one of the UK’s largest regeneration projects. In addition to housing, it will also provide a range of employment opportunities and community functions.

In October 2021, the Group also entered into an agreement to sell 139 affordable housing units of Consort Place in London for GBP43 million. The guarantor is Clarion Housing Association Limited, a registered society under the Co-operative and Community Benefits Societies Act 2014.

Mr. Chris HOONG, Managing Director of FEC, said: “FEC is very committed to the ESG agenda. Whilst climate change and the environment are important issues which we address in our new developments and our daily operations, the social component is equally important to us. We are proud to be a leading private residential developer in the United Kingdom and to advance the social cause through the development of affordable housing.”

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VII. BC Invest Acquires Strategic Stake in Mortgageport

In October 2021, BC Investment Group Holdings Limited (“BC Invest”) acquired a 53% stake in Mortgageport, a leading non-bank residential lender in Australia. Mortgageport is highly synergistic with BC Invest and currently has AUD1.5 billion of assets under management (“AUM”). Together, the combined group will have an AUM of over AUD3.3 billion with 190 staff across 11 offices in 7 countries.

Mr. Glenn SPRATT, Founder and Managing Director of Mortgageport, said: “Mortgageport has established its pedigree over the past 23 years and now, with the support of BC Invest, we have the capacity to become Australia’s lender of choice. Mortgageport routinely exceeds AUD100 million per month in mortgage applications and we intend to grow this to an industry-leading level over the coming two to three years.”

Mr. David HINDE, Chief Executive Officer of BC Invest, added: “The transaction with Mortgageport evidences BC Invest’s growth by partnership approach as we align ourselves with established and respected businesses across both the APAC region and the United Kingdom and work towards our five-year plan of becoming one of Asia’s non-bank financial institutions. We expect our partnership with Mortgageport will deliver immediate operational and funding efficiencies and provide both parties with access to a deeper pool of institutional capital as we grow our capital markets program.”



VIII. Introduced Sustainable Finance Framework and Received Aligned Opinion

In its FY2021 ESG report, the Group introduced a formal sustainability strategy. The strategy is centered around four pillars: Managing Environmental Footprint, Employer of Choice, Cultivating Community and Placemaking. Each is based on a different objective as well as the appropriate methods with which they can be achieved.

Subsequently in November 2021, the Group also released a sustainable finance framework to raise green funds that will drive positive environmental and social impacts according to its sustainability strategy. After a meticulous review, S&P Global Ratings released a Second Party Opinion (“SPO”) report on 19 November 2021 stating a fully aligned opinion. More information is available on the FEC website, where both the sustainable finance framework and SPO have been published for stakeholders’ reference.

Mr. Chris HOONG, Managing Director of FEC, said: “The Group is delighted to have put in place a formal ESG framework that has been received by S&P Global Ratings, leading to an aligned opinion on our sustainable finance framework. This opinion has highlighted our efforts and achievements in building a sustainable business, and affirms our dedication to abiding to the best practices in the pursuit of a sustainable development. Looking ahead, in a professional and socially responsible manner, FEC will continuously adhere to its proven practices, and strive to maintain good environmental protection, cultivating communities, providing an inclusive workplace and ensuring client focus with our development strategy, all in a bid to create sustainable long-term value for stakeholders.”

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S&P Global

IX. Dorsett Hospitality International Hotels Selected to Serve Close Contacts

In support of the efforts to overcome the fifth wave of outbreaks and relieve the pressure on the public healthcare system, several Dorsett and Silka hotels in Hong Kong are working with the government as quarantine centres and isolation facilities to accommodate close contacts. Meanwhile, other Dorsett hotels in Hong Kong, Malaysia as well as Dorsett Singapore continue to offer their services as quarantine hotels. The Group remains committed to support its community by aiding in the worldwide effort towards recovery.

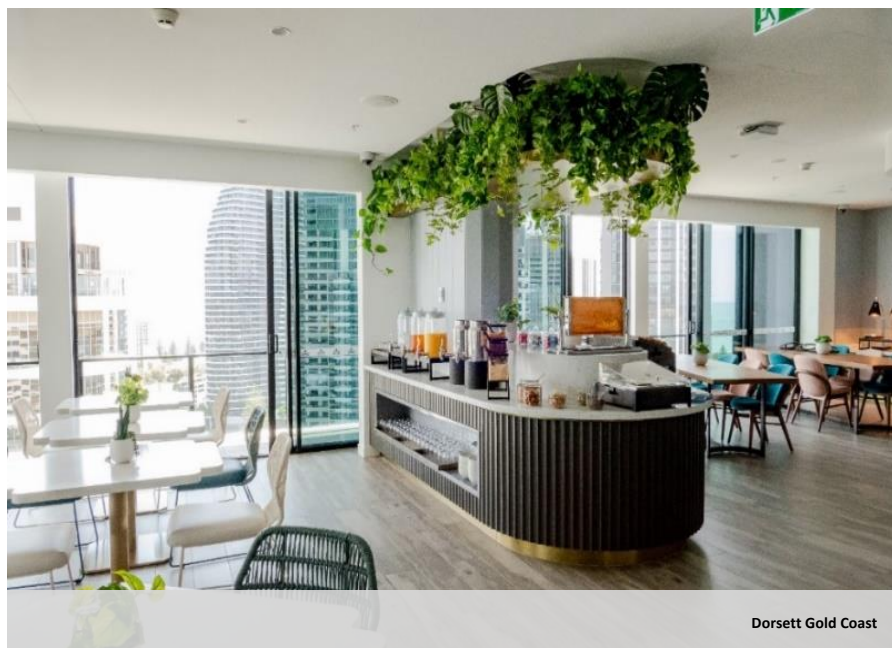
Globally, the Group has served over 411,000 quarantine guests and 13,000 frontliners since the start of the COVID-19 pandemic.

X. Grand Opening of Dorsett Gold Coast

On 26th December 2021, Dorsett Gold Coast opened its doors for the first time, making it the first Dorsett hotel in Australia. The upscale hotel is located in the Gold Coast's entertainment and leisure precinct and boasts 313 vibrant hotel rooms that offer stunning ocean and hinterland views, with unique touches such as local artwork and whimsical surprises for kids.

As part of its mission to become a leader in sustainable travel, Dorsett Gold Coast offers eco-friendly features such as paperless check-in and automatic lighting within the rooms. To provide travellers with peace of mind in the current landscape, Dorsett Gold Coast provides a contactless check-in process and other safety features.

Michael Foster, General Manager of Dorsett Gold Coast, said: "We know that travellers and locals are always on the lookout for new and exciting experiences. As a brand-new build, Dorsett Gold Coast provides a fresh and fun way for people to enjoy the very best of our city. Everyone who checks in will receive a special Dorsett Discoveries booklet, which will provide insider knowledge to our guests so they can live like a local while visiting the Gold Coast."



Dorsett Gold Coast

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XI. Awards

2021-2022 Awards	Organisation
MarCom Awards 2020 <ul style="list-style-type: none"> Print Media – Annual Report: Corporation Platinum Print Media – Design (Print): Annual Report/CSR Design Platinum Print Media – Design (Print): Annual Report/CSR Cover Platinum Print Media – Design (Print): Annual Report/CSR Interior Platinum Digital Media – Website Redesign Platinum Digital Media – Design (Web): Website Gold Video/Audio – Video/Film: Corporate Image Gold Print Media – Design (Print): Logo Gold 	Association of Marketing and Communication Professionals (AMCP)
iNOVA Awards 2020 <ul style="list-style-type: none"> Video: Property Development & Investment: Gold Prize Corporate Websites: Corporate Image Silver Video: Conglomerate Silver Corporate Websites: Real Estate Bronze Investor/Shareholder Relations Bronze Redesign/Relaunch: Stakeholder Communications Bronze Video: Hotel & Property Management Bronze 	Mercomm, Inc.
FinanceAsia's Best Companies Poll 2021 <ul style="list-style-type: none"> Asia's Overall Best Managed Company Best Managed Listed Company in Hong Kong Best CEO in Hong Kong: Mr. David Chiu, Chairman and Chief Executive Officer Most Committed to the Highest Governance Best Standards in China Most Committed to Social Causes in China Most Committed to the Highest Governance Best Standards in Hong Kong 	FinanceAsia
Questar Awards 2021 <ul style="list-style-type: none"> Corporate Video – Corporations: Conglomerate – Gold Corporate Video/Corporate Guideline – Corporations: Corporate Identity – Silver Corporate Video – Broadcast/Cable/Streaming: Brand Image Campaign – Bronze Annual Report 2020 – Corporations: Stakeholder Communications – Bronze Annual Report 2020 – Mobile Media: Annual Report - Bronze 	Mercomm, Inc.
Hong Kong Investor Relations Association 7th IR Awards <ul style="list-style-type: none"> Best IR Company Best IR by Chairman/CEO – Tan Sri Dato' David Chiu ESG Grand Award (Small Cap) Best IR by CFO – Mr. Boswell Cheung Best ESG (E) Best ESG (S) Best ESG (G) 	HKIRA
The International ARC Awards 2021 <ul style="list-style-type: none"> Property Development – Residential: Silver Prize 	Mercomm, Inc.
Hong Kong Corporate Governance & ESG Excellence Awards 2021 <ul style="list-style-type: none"> Honourable Mention of the ESG Excellence Awards 	Chamber of Hong Kong Listed Companies and the Centre for Corporate Governance and Financial Policy, Hong Kong Baptist University

XII. Recent Investor Relations Activities

Date	Organiser	Activities	Venue
5 Jan 2021	Roadshow China	NDR	PRC (Virtual Conference)
25-29 Jun 2021	DBS	Post-results NDR	Hong Kong/Singapore/US/Malaysia/UK (Virtual Conference)
29 Jun 2021	AMTD	Post-results NDR	Hong Kong/Singapore/PRC (Virtual Conference)
30 Jun 2021	Credit Suisse	Post-results NDR	Hong Kong/PRC (Virtual Conference)
30 Jun 2021	Barclays	Post-results NDR	Hong Kong/Singapore (Virtual Conference)
2 Jul 2021	FEC	Post-results NDR	Hong Kong
1 Sept 2021	Soliton	NDR	Hong Kong (Virtual Conference)
30 Nov – 1 Dec 2021	DBS	Post-results NDR	Hong Kong/Singapore/Denmark (Virtual Conference)
2 Dec 2021	AMTD	Post-results NDR	Hong Kong
3 Dec 2021	Barclays	Post-results NDR	Hong Kong/Singapore (Virtual Conference)
3 Dec 2021	FEC	Post-results NDR	Singapore (Virtual Conference)
7 Dec 2021	Credit Suisse	Post-results NDR	Hong Kong/Singapore (Virtual Conference)
10 Dec 2021	DBS	Post-results NDR	Hong Kong (Virtual Conference)
25-26 Jan 2022	DBS	NDR	Hong Kong (Virtual Conference)

About Far East Consortium International Limited

Far East Consortium International Limited has been listed on the Hong Kong Stock Exchange since 1972 (Stock code: 35.HK). The Group is mainly engaged in property development and investment, hotel operations and management, car park operations and facilities management, securities and financial product investment and gaming operations. The Group adopts the diversified regional strategy and the “Asian Wallet” strategy with business covering Hong Kong, Mainland China, Australia, New Zealand, Malaysia, Singapore, the United Kingdom and other European countries.

The preliminary figures disclosed above are subject to change and may differ from those appearing in audited and unaudited financial statements of FEC to be published on yearly and half-yearly basis. As such they are strictly for information only and not for any other purpose. Investors are advised not to place any reliance on the information disclosed herein but to exercise due caution when dealing in the securities of the Company. Any investor who is in doubt is advised to seek advice from professional advisor.