



(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 035

2020/21 Interim Results

November 2020



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1. FY2021 Interim Results Summary

Concept of Queen's Wharf Brisbane

Key Takeaways of 1H FY2021



Remained profitable despite COVID-19

- Diversification: Geographically and business segments
- Proactive steps: aggressively cut costs and repositioned certain hotels
- Monetized retail: Sold the retail components of Artra, Singapore and Astoria Crest, Hong Kong and signed an 18-year long lease in Wuhan



Hotel business recovering, especially in Asia

- OCC higher than last year in Hong Kong
- Outperforming the market and peer group



Increase in adjusted net asset value⁽¹⁾ of HK\$1.5 bn

- Retained profit for the period less distributions
- Rebound of currencies against Hong Kong dollar
- Rally in The Star share price



Significant presales of HK\$13.4 bn give us good visibility short to medium term

- Successful launches of Aspen at Consort Place, London and Queen's Wharf Residences (Tower 4), Brisbane



2H FY2021 performance expected to be supported by:

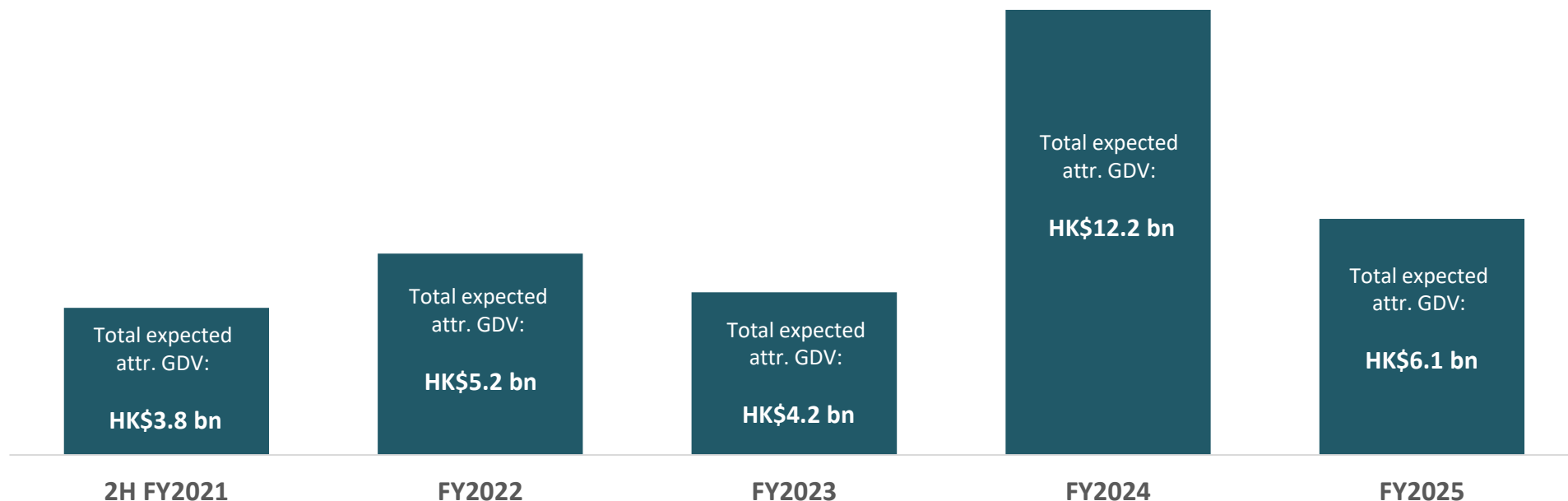
- Significant settlements at West Side Place (Towers 1 and 2) in Melbourne and MeadowSide (Plot 5) in Manchester
- Favorable exchange rate movements
- Continue active sell-down of inventory of HK\$4.5 bn
- Continue sale of non-core assets

Note:

(1) Includes revaluation surplus on hotel assets as at 31.3.2020.

Medium Term Outlook Is Supported By Strong Development Pipeline and New Initiatives

Delivery Schedule of Property Developments:



BC Invest

New Growth Phase of BC Group

- Completion of **AUD416 mn RMBS** offering add to ammunition
- Expansion of mortgage financing services to UK



New hotel additions

- Completion of **Ritz-Carlton, Melbourne** in FY2022
- Completion of **Dorsett Melbourne** in FY2023



Completion of Queen's Wharf Brisbane

- Earlier capital investments in QWB entering **harvesting phase**
- Expected opening of **casino** in FY2023
- Full opening of **integrated resort** in FY2024
- FEC's stake: 25%



Completion of Kai Tak Development

- Planning approval obtained
- Completion in FY2024
- Project consists of a **400-room flagship Dorsett hotel, office and retail component**

Business Highlights and Recent Developments

Crystallise Hidden Value of Retail Assets

Sale of retail component of Artra⁽¹⁾

Proceeds: **SGD55.2 mn**

Sale of retail component of Astoria Crest

Proceeds: **HK\$40 mn**

Wuhan New Lease

- Signed an **18-year lease contract** for the Wuhan shopping mall
- Yearly rental was doubled to approximately **HK\$50 mn** with a **step-up increase of 8%** every three years

New Businesses



Property agency business – First International Property

- Focused on international property sales to Hong Kong residents
- Aim to link up world-renowned developers and professional solicitors, mortgage brokers and property managers and assist buyers at every stage of their investment process

Post period end:



Safe deposit box business – Far East Vault

- Will start to contribute to recurring income from 2H FY2021

Maintain a Robust Financial Position



- **Repaid** construction loans of Artra and West Side Place (Towers 1 and 2) of **SGD40 mn** and **AUD180 mn**, respectively
- **Refinanced** the **HK\$980 mn** short-term land acquisition loan with a **HK\$2.4 bn** long-term construction loan for Kai Tak's development

Post period end:



- Bought back **USD50 mn** of 2021 Notes through a tender offer in November 2020



- Completed a private placement of **HK\$200 mn** of 12.25-year notes in November 2020

Residential Mortgage-Backed Securities Deal of BC Group



Post period end:



- Priced successfully an **Australian dollar-denominated RMBS deal**, from its Ruby RMBS programme, in November 2020
- Upsized to **AUD416 mn**

Land Replenishment



Post period end:



- Partnered with The Star Entertainment Group ("The Star") to acquire a **site in Pyrmont, Sydney**, adjacent to The Star Sydney casino, to co-develop into a **mixed-use tower**

Note:

(1) The Group has a 70% interest in the development.

Profitability Maintained Despite Global Economic Headwinds

HK\$ mn	1H FY2021	1H FY2020	% change
Revenue	3,111	5,121	-39.2%
Gross profit	988	1,647	-40.0%
Profit before tax	831	983	-15.5%
Net profit attributable to shareholders	350	715	-51.1%
Total comprehensive income attributable to shareholders of the company	1,879	59	+3,094.4%
Adjusted cash profit ⁽¹⁾	517	1,034	-50.0%
EPS (HK cents)	14.8	30.4	-51.3%
DPS (HK cents)	4.0	4.0	-
	As at 30.9.2020	As at 31.3.2020	
Total cumulative attributable presales	13,438	12,238	+9.8%
Total NAV attributable to shareholders ⁽²⁾	28,945	27,467	+5.4%
NAV per share (HK\$) ⁽²⁾	12.31	11.59	+6.2%

Notes:

(1) Adjusted cash profit is calculated by adjusting for fair value changes in investment properties and by adding depreciation and amortisation charges to profit after tax.

(2) Includes hotel revaluation surplus based on independent valuation assessed as at 31.3.2020.

Overall GP Margins Remained Healthy Despite Global Macro Events

	1H FY2021					1H FY2020				
	Revenue		Gross profit (after depreciation)		Gross profit (before depreciation)	Revenue		Gross profit (after depreciation)		Gross profit (before depreciation)
	HK\$ mn	HK\$ mn	Margin	HK\$ mn	Margin	HK\$ mn	HK\$ mn	Margin	HK\$ mn	Margin
Property Development	2,324	864	37.2%	864	37.2%	3,686	1,109	30.1%	1,109	30.1%
Hotel Operations and Management	363	(3)	-0.8%	172 ⁽¹⁾	47.5%	777	298	38.3%	468 ⁽¹⁾	60.2%
Car Park Operations and Facilities Management	222	(11)	-5.0%	7 ⁽¹⁾	3.1%	397	62	15.7%	79 ⁽¹⁾	20.0%
Gaming Operations	80 ⁽²⁾	33	41.3%	40	50.3%	144 ⁽²⁾	78	54.4%	85	59.5%
Others	122	105	85.8%	105	85.8%	118	100	85.3%	100	85.3%
Total	3,111	988	31.7%	1,188	38.2%	5,121	1,647	32.2%	1,841	36.0%

Notes:

(1) Excludes depreciation of leased properties under HKFRS 16.

(2) After deduction of gaming tax amounting to HK\$46 million and HK\$32 million in 1H FY2020 and 1H FY2021, respectively.

Strong Recovery of Foreign Exchange Rates Added to Our NAV Growth

- The rebound in all currencies against the Hong Kong dollar had a positive effect on the value of our net assets and our adjusted equity
- Trend post period end remained positive for the Group

Rates as at	30.9.2020	31.3.2020	Change
HK\$/AUD	5.52	4.78	+15.5%
HK\$/RMB	1.14	1.09	+4.6%
HK\$/MYR	1.86	1.79	+3.9%
HK\$/GBP	9.94	9.57	+3.9%
HK\$/CZK	0.33	0.31	+6.5%
HK\$/SGD	5.66	5.44	+4.0%

Average rates for	1H FY2021	1H FY2020	Change
HK\$/AUD	5.15	5.43	-5.2%
HK\$/RMB	1.12	1.14	-1.8%
HK\$/MYR	1.83	1.90	-3.7%
HK\$/GBP	9.76	9.91	-1.5%
HK\$/CZK	0.32	0.34	-5.9%
HK\$/SGD	5.55	5.73	-3.1%

Balanced and Diversified Portfolio Helped Reduce Risks

Quality assets:



- **HK\$55.2 bn** of attributable GDV of projects for sale



- **31** Completed hotels
- **13** Pipeline hotels



- **HK\$7.9 bn** of investment property

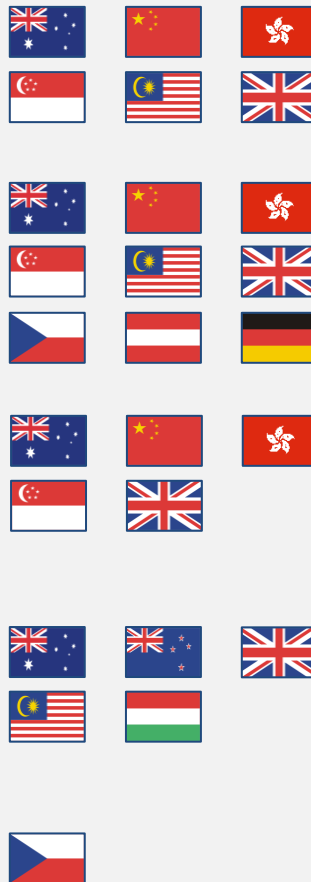


- **37** Owned car parks

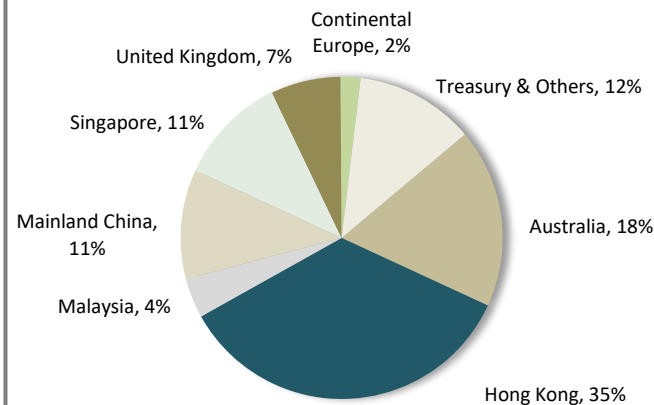


- **3** casinos in the Czech Republic

Geographies



Total Assets by Geography⁽¹⁾



Adjusted Net Assets⁽¹⁾ as of 30.9.2020

HK\$32.1 bn



HK\$1.5 bn From 31.3.2020

Note:

(1) Includes revaluation surplus on hotel assets as at 31.3.2020.

Seeding New Growth

- Synergistic businesses supports core businesses' growth
- Significant value creation opportunities in these businesses



25% stake		<ul style="list-style-type: none"> • Integrated resort targeting Asia Pacific customers
50.66% stake		<ul style="list-style-type: none"> • Mortgage financing platform targeting Asian middle class investing internationally
25% stake		<ul style="list-style-type: none"> • International property agency business with immigration and property management expertise
100% stake		<ul style="list-style-type: none"> • Safe deposit box business targeting mass market
100% stake		<ul style="list-style-type: none"> • Facilitating Hong Kong buyers for international properties

Specific Cost Control Measures Taken To Ensure Long Term Sustainability

Specific actions taken



Streamlining of operations



Meticulous review of all expenses and costs



Cancellation of certain incentive payments



Delayed certain capital expenditure to preserve cash



Adjusted level of workforce, in particular in the hospitality segment



Broadened source of hotel income by targeting long term stay for the domestic market in Hong Kong

With the rationalization programme implemented, the Group expects net savings to be approximately

HK\$180 mn

on an annualized basis

Government support received



Leveraged incentives and compensation programmes offered by various governments across the regions to mitigate the impacts of COVID-19 in FY2021

With the incentive and compensation programmes, the Group

- Received approximately **HK\$84 mn** in 1H FY2021
- Expected to receive approximately **HK\$67 mn** in 2H FY2021

Balance Sheet Gearing Remained Healthy

- Efforts being made to extend debt maturity

HK\$ mn	As at 30.9.2020	As at 31.3.2020
Total bank loans and notes	25,414	23,460
Investment securities	3,714	3,027
Bank and cash balances ⁽¹⁾	3,476	3,040
Liquidity position	7,190	6,067
Net debt⁽²⁾	18,224	17,393
Carrying amount of the total equity ⁽³⁾	15,723	14,314
Add: hotel revaluation surplus ⁽⁴⁾	16,348	16,348
Total adjusted equity	32,071	30,662
Net gearing ratio (net debt to adjusted equity)	56.8%	56.7%
Net leverage ratio (net debt to total adjusted assets⁽⁵⁾)	29.2%	29.9%

Notes:

- (1) The amount represents total restricted bank deposits, deposit in a financial institution, and bank balances and cash.
- (2) Net debt represent total bank loans and notes less investment securities, bank and cash balances.
- (3) Includes Perpetual Capital Notes.
- (4) Excludes the Ritz-Carlton in Perth and J-Hotel by Dorsett in Kuala Lumpur which are newly opened and valued at cost.
- (5) Total adjusted assets include revaluation surplus on hotel assets as at 31.3.2020.

Clear Plan to Manage Balance Sheet

- Expected settlements and refinancings to reduce debt due within a year

	HK\$ bn
Total short-term debt as of 30.9.2020	11.9
Refinancing of debt under discussion / completed	(5.0)
Private placement of 12.25-year notes and capital to be released through Ruby Bond	(0.6)
Proceeds of West Side Place (Towers 1 and 2) and Artra residential	(4.3)
Proceeds of retail asset sales / completed inventory sold as of 31.10.2020	(0.6)
Balance	1.4

Includes debt with immediate repayment clause of **HK\$1.2 bn**

Continued Ample Access to Liquidity

- Existing liquidity available of HK\$12.4 bn (cash position and undrawn facilities) far exceeds the capex of HK\$2.1 bn
- Presales of HK\$13.4 bn provides visibility on future cash inflow streams
- Ability to raise further liquidity by borrowing against unencumbered hotels
- Completed residential inventory of HK\$4.5 bn can be monetized to increase liquidity

Liquidities	HK\$ mn
Liquidity position	7,190
Undrawn banking facilities - Corporate use	2,500
Undrawn banking facilities - Construction Development	2,700
Total liquidities (excluding cashflow from presales)	12,390

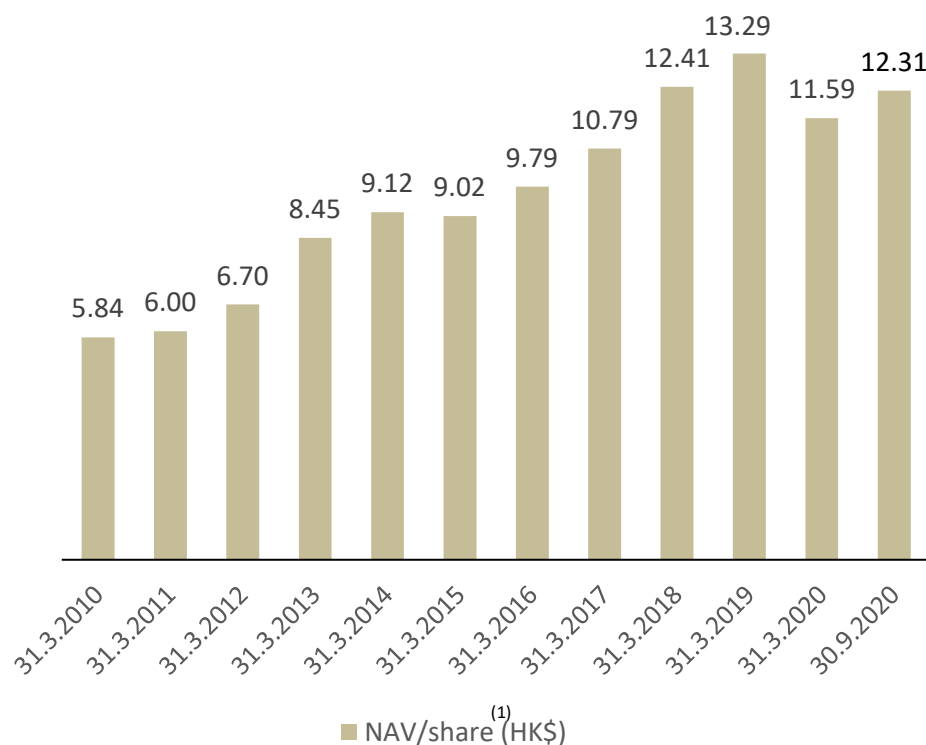
Market value of assets as at 31.3.2020	Number	HK\$ mn
Unencumbered hotel assets	8	4,400
Unsold residential inventory		4,549

Application of funds	HK\$ mn
Hotel developments	1,252
Queen's Wharf Brisbane	380
The Star Residences	38
Land replenishment	431
Other capital commitments	18
Total	2,119

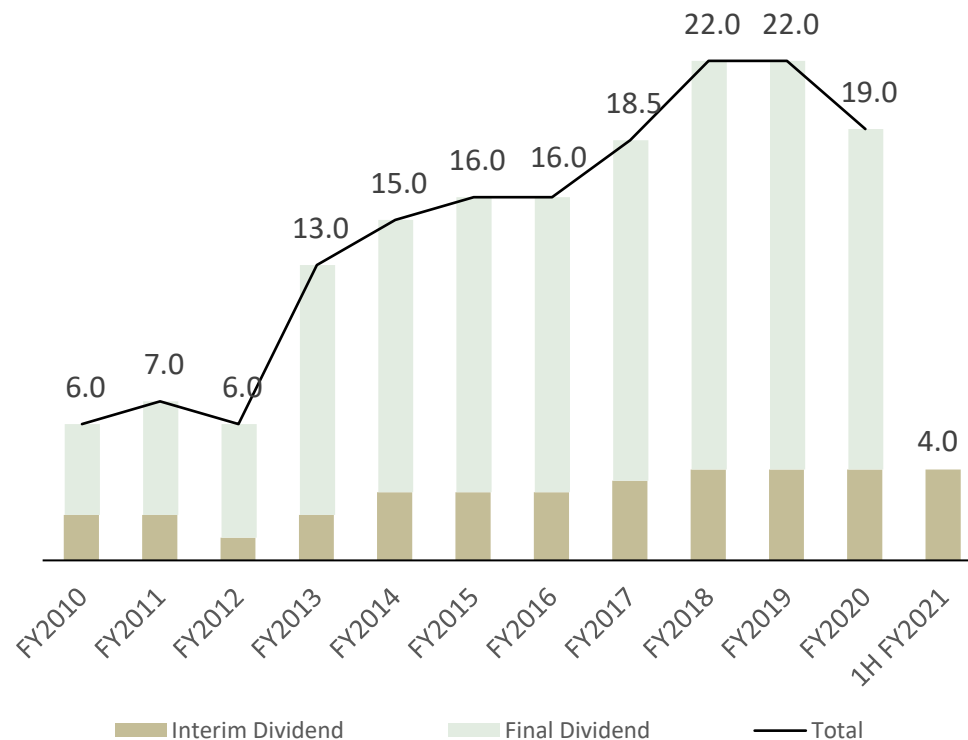
Objective of Long Term Dividend and NAV/Share Growth Is Intact

- Resilient NAV despite current challenging business environment
- Continue to deliver a sustainable and attractive dividend: a priority for the Group

10-Year NAV CAGR : 7.1%



10-Year DPS CAGR: 12.2%



Note:

(1) Adjusted for hotel revaluation surplus as of 31.3.2020.

2. Review of Operations

Property Development



Project Delivery During FY2021



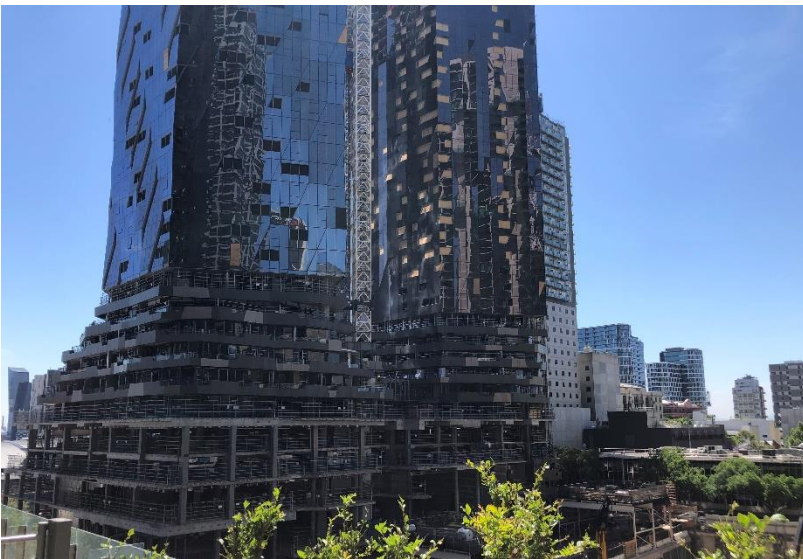
West Side Place, Melbourne (Towers 1 and 2)

No. of units:

1,377

Total attr. GDV:

HK\$5.3 bn



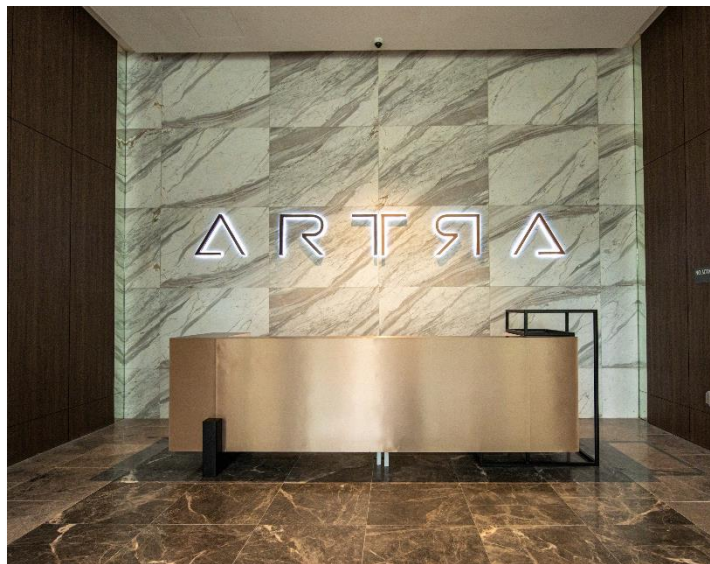
ARTRA⁽¹⁾, Singapore

No. of units:

400

Total attr. GDV:

HK\$3.1 bn



Note:

(1) The Group has a 70% interest in the development.

Upcoming Project in 2H FY2021– Hyll on Holland, Singapore

A New Freehold and Luxury Condominium in a Great Neighborhood

Executive Summary

Location	Close to Orchard and Singapore Botanic Garden and is limited by Holland Village, Farrer Road, and Dempsey Cluster, which are known among both locals and expats
Expected attr. SFA	192,000 sq.ft.
Expected attr. GDV	HK\$3.1 bn
Details	319 apartments
Expected Completion	FY2023



Upcoming Project in 2H FY2021 – Victoria Riverside, Manchester

An Attractive Residential-led Development with Spacious and High-Quality Public Realm

Executive Summary

Location	Located to the north east of Manchester city centre, the project is bordered by Dantzic Street to the north and west, Gould Street to the south and the railway arches to the east.
Expected attr. SFA	458,000 sq.ft.
Expected attr. GDV	HK\$2.0 bn
Details	634 apartments
Expected Completion	FY2025



Completion in 2H FY2021 – MeadowSide Plot 5, Manchester

An Attractive Mix of City Living, Urban Amenities and Parkland Peace in the City Centre

Executive Summary

Location	A landmark project located in the heart of The Noma Quarter, north of Manchester city centre, overlooking Angel Meadow Park, the largest green space in the city centre, adjacent to major transportation hubs
Expected attr. SFA	99,000 sq.ft.
Expected attr. GDV	HK\$400 mn
Details	136 apartments
Expected Completion	2H FY2021



2. Review of Operations

Hotel Operations & Management



FEC Took Prompt Actions to Stay Ahead

d. COLLECTION


DORSETT
HOSPITALITY
INTERNATIONAL

Silka hotels

TWH
TRANS WORLD
HOTELS



- Reducing overheads through standing down workforce and cutting fixed cost



- Keep exploring monetization opportunities to dispose non-core assets



- Target new demand amid coronavirus pandemic
 - Domestic long stay guests
 - Self-quarantine guests



- Leverage government incentives and compensation programmes to navigate the unforeseen challenge of COVID-19



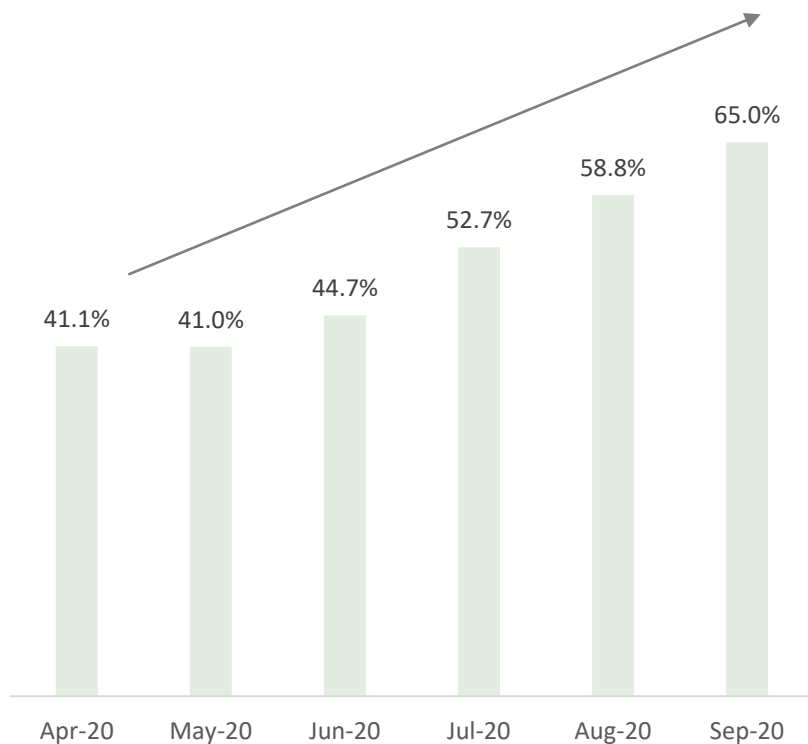
- Benefit from geographical diversification

Gradual Recovery in Our Hotel Operations

- Global hotel portfolio has enjoyed a gradual improvement in OCC ⁽¹⁾ since June 2020
- Hong Kong remains the main contributor to the Group's hotel operations
- Vaccine will be big game changer

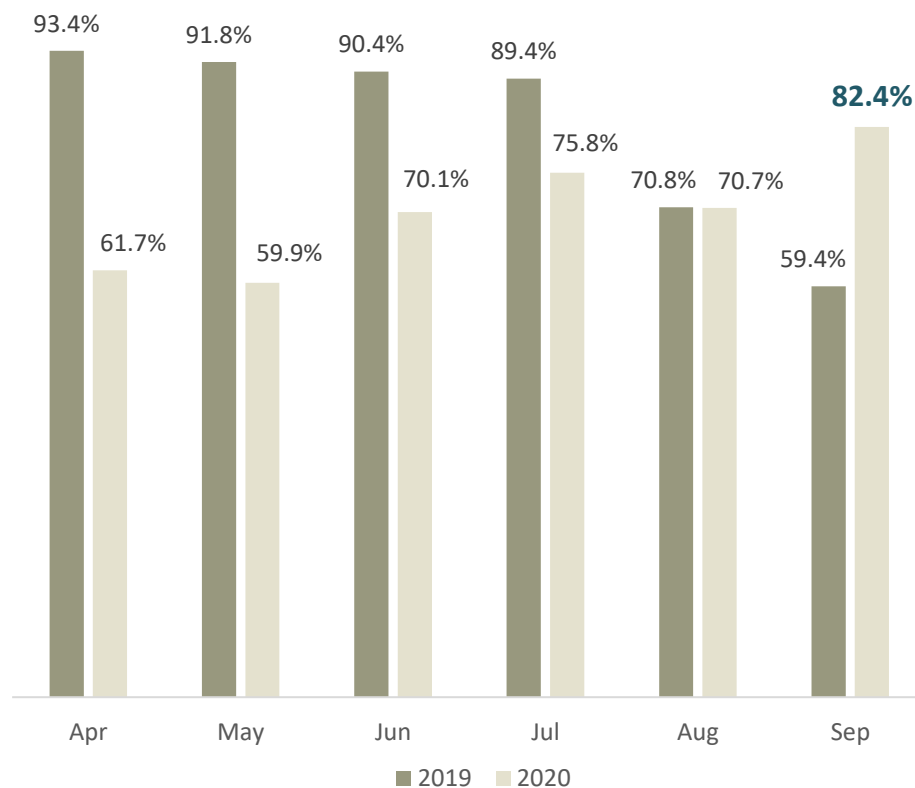
Global

OCC (%)



Hong Kong

OCC (%)

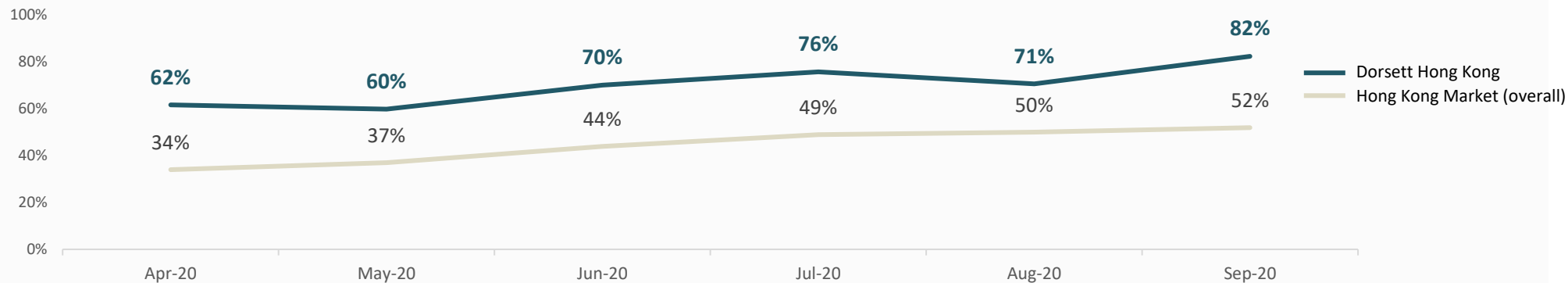


Note:

(1) OCC represents occupancy rate.

Decisive Actions and Clear Strategy Resulting in Outperformance

Monthly Hong Kong and FEC Hotel Occupancy Rate:
OCC(%)



Source: Hong Kong Tourism Board.

Six months ended 30.9.2020	Revenue YoY change	Gross Profit YoY change	OCC
FEC - Hotel Operations and Management	-53.2%	-63.1%⁽¹⁾	71.7%
Six months ended 30.6.2020	Revenue YoY change	Gross Profit YoY change	OCC
Company A	-62.1%	-76.1%	14.0%
Company B	-65.8%	-128.4%	N/A
Company C	-52.2%	-115.6% ⁽²⁾	14.0%
Company D	-40.4%	-69.9%	37.4%
Company E	-68.0%	-87.3%	N/A

Notes:

(1) Gross profit margin before depreciation.

(2) Represents the EBITDA figures due to the lack of information.

Kai Tak Development – Project Progressing Well

Kai Tak Development

- The HK Government's most significant investment in infrastructure in recent decades
- **Total area:** over **320** hectares
- **Kai Tak Outline Zoning Plan:** A mix of community, housing, business, entertainment, tourism and infrastructural uses
- Town Planning Board has approved Dorsett's application
- Long term construction loan of **HK\$2.4 billion** executed
- 4.5 year facility replacing land acquisition loan

Executive summary

Location	Located at Shing Kai Road and adjoining the Kai Tak Sports Park
Purchase Price	HK\$2.4 bn (HK\$7,100/sq.ft.)
Gross Floor Area ("GFA")	Total GFA: 344,436 sq.ft. Hotel: 149,328 sq.ft. Office: 161,892 sq.ft. Retail: 33,216 sq.ft.
Details	<ul style="list-style-type: none"> • 10 mins walk from Sung Wong Toi station and Kai Tak station, respectively • Adjoining the Kai Tak Sports Park • A 400-room flagship Dorsett hotel • Some office and retail space • Expected total investment of around HK\$4.5 bn
Expected Completion	FY2024



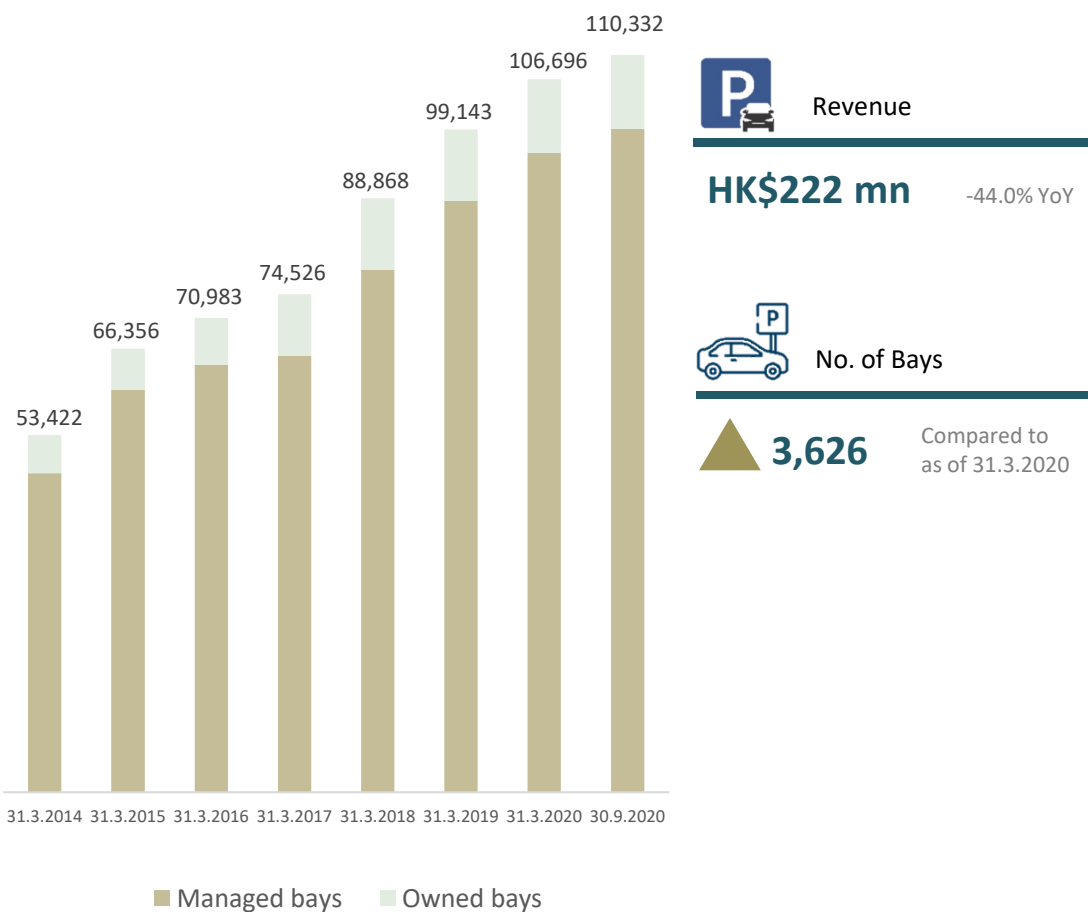
2. Review of Operations

Car Park Operations

EXO Car Park, Melbourne

Performance of Car Park Operations Impacted by COVID-19

- COVID-19 hampered the performance from March 2020
- Taken appropriate actions to mitigate the impact, including strategically reducing overheads by eliminating expenses and seeking to reduce rental obligations on impaired lease



Note:

(1) Care Park has a 25% interest.

	30.9.2020		31.3.2020	
	No. of Car Park	No. of Bays	No. of Car Park	No. of Bays
Australia				
Owned and managed	23	4,382	23	4,382
Managed only	319	77,023	365	76,441
Joint Venture owned ⁽¹⁾	1	383	1	383
New Zealand				
Owned and managed	3	970	3	970
Managed only	47	12,136	48	11,146
United Kingdom				
Owned and managed	1	1,800	1	1,800
Managed only	6	1,015	6	1,015
Malaysia				
Owned and managed	2	2,066	2	2,066
Managed only	13	6,794	11	6,393
Hungary				
Owned and managed	7	1,448	7	1,448
Managed only	4	2,305	3	652
Total	426	110,322	470	106,696

Value-Added Technology Reduces Costs and Enhances Value



Leading Technology Platform

- Car park operator with in-house technology capability
- Control centre in Melbourne overseeing all operated car parks
- Able to efficiently roll out technology to existing and new sites



End-to-end Car Park Service

- Offer end-to-end services in-house
- Ability to manage a car parking contract through its entire lifecycle in-house, from design of the car park through to facilities management



Brand Strength

- Highly reputable
- Innovative mindset that targets underpenetrated customer segments
- Unique ownership model provides incremental value through owning and operating properties



Favourable Industry Thematics

- Established presence in local market that provide operational leverage
- International markets are still premature and have untapped potential
- Scarce assets with limited future supply



Local and International Growth Opportunities

- Established local platform with international presence capable of being built out efficiently
- Footholds established in new key car parking markets such as the UK and Central Europe



2. Review of Operations

Gaming Operations



Concept of Queen's Wharf Brisbane

TWC Remains Resilient Despite Challenging Operating Environment

- Three full-services casinos in the Czech Republic
- The three casinos under the Group were ordered to temporarily close by the local government in March 2020 and re-opened in early June 2020
- The business recovered quickly following the re-openings
- Swift actions were taken to reduce staff costs and operating expenses
- Temporarily closed in October 2020 due to government regulation but expect to reopen in December 2020
- Keeping costs low and preparing for re-openings



Revenue⁽¹⁾

1H FY2021

HK\$80 mn

1H FY2020

HK\$119 mn



33.0% YoY



Revenue per slot machine per day

1H FY2021

HK\$983

1H FY2020

HK\$1,148



Table game win rate⁽²⁾

1H FY2021

20.2%

1H FY2020

20.3%



No. of slot machines

As at 30.9.2020

442

As at 31.3.2020

543



No. of tables

As at 30.9.2020

65

As at 31.3.2020

59

Notes:

(1) After deduction of gaming tax.

(2) Table game win rate is defined as total win on the gaming table (being total bets received less payouts made) divided by total amount of drop.

QWB: Equity Investment Phase Almost Over; Harvesting Period Coming Soon

Queen's Wharf Brisbane Flagship Integrated Resort



- World-class integrated resort destination
- FEC's stake: 25%
- Hotel/Retail/Casino
- Executed AUD1.6 bn financings for Queen's Wharf Brisbane
- Expected opening: casino in FY2023; full opening in FY2024



- 40,000 sq.m. of retail/food and beverage uses

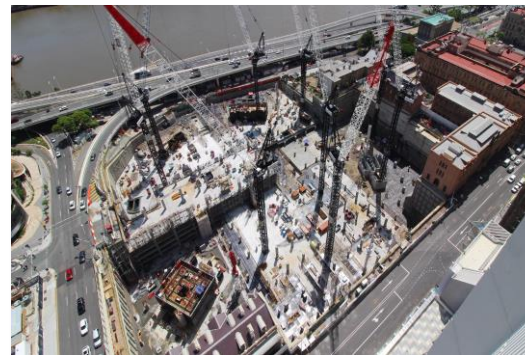


- 3 international hotel brands including The Rosewood, The Star Grand and Dorsett, offering over 800 premium rooms



The Star Casino

- **Casino License Terms**
 - 99 years with a 25-year casino exclusivity period within 60 kilometers from the Brisbane CBD
 - 2,500 slots & unlimited gaming tables (including electronic derivations)



Strategic Alliance with The Star: Other Compelling Projects

The Star Gold Coast Precinct



- Five residential and hotel towers adjacent to The Star Gold Coast resort
- First two towers currently selling and under construction⁽¹⁾
- Approval for the other three towers is completed
- FEC's stake: 33.3%
- Hotel/Residential



The Star Sydney

- Ongoing planning for landmark residential and hotel towers adjacent to The Star Sydney, to be operated by The Ritz-Carlton
- FEC's stake: 33.3%
- Hotel/Residential



Pymont Precinct, Sydney

- Redevelopment project with The Star
- Under planning stage
- Hotel/Residential



Sheraton Grand Mirage, Gold Coast

- Gold Coast's only beachfront resort featuring 295 luxurious rooms
- FEC's stake: 25%
- Resort Hotel

Note:

(1) Tower 1 ongoing and Tower 2 about to start.

2. Review of Operations

Other Businesses

The Towers at Elizabeth Quay, Perth

BC Group – Moving Into a New Growth Phase

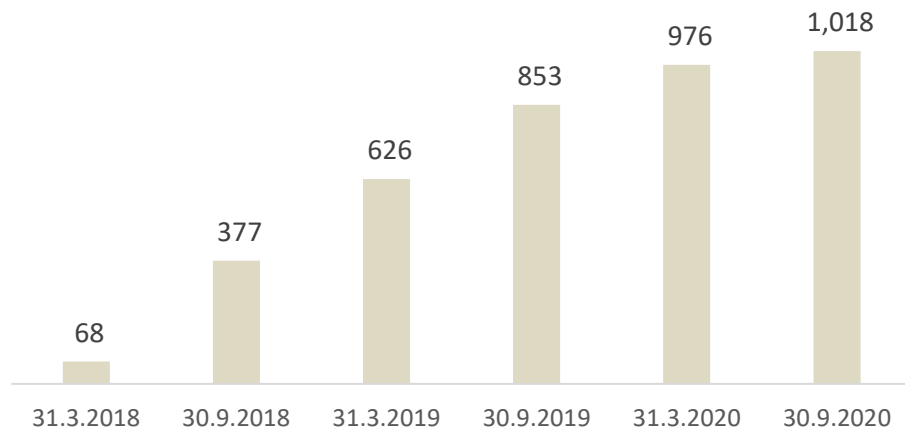
Latest update

- Completed RMBS deal in November, transaction was upsized to **AUD416 mn**
- Fast growing platform offering mortgage financing in Australia
- Aiming to offer same services soon in the UK
- FEC owns **50.66%** of BC Group
- Shareholders include PAG and Metrics Credit Partners, two reputable investors
- Funding primarily provided by leading financial institutions and institutional investors
- Several on-going discussions to increase available senior and junior funding

Loans and advances

AUD mn

CAGR : 278.9%



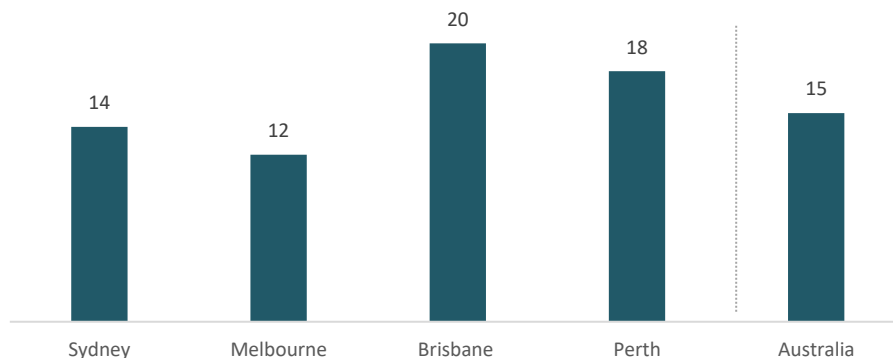
Australia and UK residential market outlooks

- With a low interest rate environment, renters are likely to find it cheaper to buy than rent
- This recovery will be supported by lower rates for longer
- With the completion of AUD416 mn RMBS deal in November 2020, BC Group is equipped to enter a new growth phase



Westpac Australian property price forecast gains by capital city, 2022-2023

(%)



Source: CoreLogic, Westpac Economics, September 2020



2019-2024 UK House Price Forecast

	2019	2020	2021	2022	2023	2024	5-Year
UK	1%	2%	3%	4%	4%	3%	15%
London	-2%	0%	2%	3%	4%	3%	13%

Source: Knight Frank, UK Housing Market Forecast – 2020

New Business – Far East Vault

Latest security system:



Facial recognition



Real time QR codes



Palm vein scans



Email notifications of every entry and exit

Other features:



24-hour security



Up to USD1 mn insurance cover for each safe deposit box



Extended opening hours:
Mon - Sat
8 a.m. - 8 p.m.



Minimum charge:
HK\$218 per month



VIP viewing rooms
without CCTV
monitoring



No disclosure of contents
required for safe deposit box

Far East Vault 遠東保庫

A Dedicated 5-star vault to use intelligent security technologies in Hong Kong

- Commenced business in **October 2020**
- Provides around **4,500** safe deposit boxes
- Demand and supply imbalance in the market
- First vault located in the basement of Silka Far East hotel in Tsuen Wan
- Generate a long-term return and attractive IRR
- Exploring good locations across Hong Kong for more branches

3. Prospects



The Star Residences, Gold Coast



Mitigation Strategies for COVID-19

- Adjust the level of workforce, in particular in the hotel operations
- Continue to review all of the overheads with a view of reducing administrative costs
- Delay certain capital expenditures to preserve cash and maintain liquidity
- Reposition assets where possible, monetise assets if attractive offers are made
- Stay well-positioned for the recovery of the global economy



Catalysts for 2H FY2021



New launches

- Victoria Riverside in Manchester
- Full launch of Hyll on Holland⁽¹⁾ in Singapore



Hotel OCC improvement

- Mandatory quarantine in hotels
- Travel bubbles
- Expected re-opening of Hong Kong-Mainland China border
- COVID-19 vaccines



Asset disposal / Sell down of inventories

- Sales of non-core assets and existing completed inventories



Seize growth opportunities

- Add to long term land bank
- Repeat “platform” strategy for car parks
- BC Group moves into the UK

Note:

(1) The Group has a 80.0% interest in this development.

Strengthen Sustainable Development Governance



Governance

- Formation of Steering Committee
 - Two regular meetings annually
 - Plan to set a 10-year sustainable plan
- Adoption of Terms of Reference
- Engaged external consultant for the analysis of sustainability governance and risk management, to identify areas for improvement
- Formulated action plans to refine existing sustainability governance structure
- Reviewed and updated ESG related policies



Social

- Strive to contribute to communities in which FEC operates while meeting business needs



Employee
Volunteering



Strategic Giving



Scholarship to students
from secondary schools,
vocational institutes and
universities



Community engagement
during project
planning process



Environment

Property Development:

- Integrated green building elements into property design work
- Implemented building material control during procurement process and set limit on the content of dangerous substances
- Conducted waste monitoring and adopted waste reduction policies on construction sites

Hotel Operations:

- Replaced single-use items with reusable items
- Implemented sustainable purchasing practice
- Implemented various energy conservation and efficiency initiatives
- Dorsett Ecovalue+ program – encourage recycling and reuse
- Continue to explore feasibility of solar energy use and energy efficient technologies

Focus on IR and ESG Continued To Be Recognized



FinanceAsia's Best Companies Poll 2020

- Best Mid-Cap Company in Hong Kong
- Best CEO in Hong Kong - Ranked 2nd – Tan Sri Dato' David Chiu
- Best Managed Company - Ranked 2nd
- Best Corporate Governance - Ranked 2nd
- Most Committed to Social Causes – Ranked 3rd



2020 6th Investor Relations Awards by HKIRA

- Best IR Company
- Best IR by Chairman / CEO – Tan Sri Dato' David Chiu
- Best IR by CFO – Boswell Cheung
- Best ESG (E)
- Best ESG (S)
- Best ESG (G)



IR Magazine Awards – Greater China 2019

- Best Overall Investor Relations
- Best in Region: Hong Kong
- Best in Sector: Financials



10th Asian Excellence Award 2020

- Asia's Best CEO – Tan Sri Dato' David Chiu
- Asia's Best CFO – Boswell Cheung
- Best Investor Relations Company
- Best Environmental Responsibility



2020 International ARC Awards

- Gold Prize - Property Development: Residential
- Gold Prize - Property Development: Various & Multi-Use
- Gold Prize - Real Estate Development/SVC: Residential Properties
- Silver Prize - Hotel & Leisure



- Tied First for the 30 Years of Corporate Governance Awards (Hong Kong) by Asiamoney



The Asset ESG Corporate Awards 2019

- Gold Award



iNova Awards 2019

- Gold Prize - Corporate Websites - Corporate Image
- Gold Prize - Video - Property Development & Investment



Third China Excellent IR Award

- Best Innovation Award
- Best Leadership Award



Questar Awards 2020

- Gold Awards - Commercials - Investor Relations



Thank You

Questions & Answers

For more information, please contact:

Investor Relations Department: ir@fecil.com.hk

Or visit the Company's website: www.fecil.com.hk

FEC Official WeChat



4. Appendices

The Towers at Elizabeth Quay, Perth

Strong Pipeline for Sustainable Growth

Projects under presale As at 30.09.2020		Location	Cumulative presales (HK\$'M)	Expected attr. SFA ⁽¹⁾ (sq.ft.)	Expected attr. GDV ⁽²⁾ (HK\$'M)	Expected Completion	Cumulative presale as % of GDV
1	West Side Place (Towers 1 and 2)	Melbourne	3,894	915,000	4,205	FY2021/FY2022	93%
2	West Side Place (Tower 3)	Melbourne	2,352	518,000	2,497	FY2024	94%
3	West Side Place (Tower 4)	Melbourne	2,502	621,000	2,969	FY2024	84%
4	The Star Residences (Tower 1) ⁽³⁾	Gold Coast	437	111,000	497	FY2023	88%
5	The Star Residences - Epsilon (Tower 2) ⁽³⁾	Gold Coast	324	109,000	578	FY2024	56%
6	Perth Hub	Perth	494	230,000	860	FY2022	57%
7	Queen's Wharf Residences (Tower 4)	Brisbane	1,266	253,000	1,623	FY2024	78%
8	Artra ⁽⁵⁾	Singapore	55	5,000	55	FY2021	100%
9	Cuscaden Reserve ⁽⁶⁾	Singapore	13	16,000	357	FY2023	4%
10	MeadowSide (Plots 2 and 3)	Manchester	504	220,000	919	FY2022	55%
11	MeadowSide (Plots 5)	Manchester	286	99,000	398	FY2021	72%
12	Northern Gateway-New Cross Central	Manchester	39	62,000	251	FY2023	16%
13	Hornsey Town Hall	London	240	108,000	941	FY2022	26%
14	Aspen at Consort Place	London	932	377,000	4,122	FY2025	23%
15	Dorsett Place Waterfront Subang ⁽⁵⁾	Subang Jaya	100	525,000	1,003	FY2024	10%
Total presales value			13,438	4,169,000	21,275		63%
Other active development pipeline		Location	Expected presale launch	Expected attr. SFA ⁽¹⁾ (sq.ft.)	Expected attr. GDV ⁽²⁾ (HK\$'M)	Expected Completion	
15	Bourke Street	Melbourne	FY2022	575,000	3,525	FY2024	
16	The Star Residences (Towers 3 to 5) ⁽³⁾	Gold Coast	Planning	374,000	1,982	Planning	
17-18	Queen's Wharf Residences ⁽⁴⁾	Tower 5	Planning	269,000	1,728	Planning	
		Tower 6	Planning	269,000	1,728	Planning	
19	Hyll on Holland ⁽⁸⁾	Singapore	FY2021	192,000	3,105	FY2023	
20	MeadowSide (Plot 4)	Manchester	Planning	244,000	1,064	Planning	
22	Northern Gateway-Victoria Riverside	Manchester	FY2021	458,000	1,998	FY2025	
23	Northern Gateway-Network Rail	Manchester	Planning	1,532,000	5,711	Planning	
24	Northern Gateway-Others ⁽⁹⁾	Manchester	Planning	1,202,000	4,363	Planning	
25	Ensign House	London	Planning	253,000	2,451	Planning	
26	Shatin Heights	Hong Kong	FY2022	84,000	1,671	FY2022	
Subtotal (pipeline)				5,452,000	29,326		
Total (presales + pipeline)				9,621,000	50,601		
Completed development available for sale		Location		Expected attr. SFA ⁽¹⁾ (sq.ft.)	Expected attr. GDV ⁽²⁾ (HK\$'M)		
1	The Towers at Elizabeth Quay	Perth		97,000	740		
2	King's Manor (Highrise)	Shanghai		2,000	6		
3	King's Manor (Townhouse)	Shanghai		33,000	217		
4	Royal Crest II (Townhouse)	Shanghai		42,000	282		
5	District 17A	Shanghai		18,000	98		
6	Royal Riverside (Tower 1,2&4)	Guangzhou		24,000	89		
7	Royal Riverside (Tower 3)	Guangzhou		19,000	68		
8	Royal River Side (Tower 5)	Guangzhou		129,000	474		
9	Marin Point	Hong Kong		63,000	655		
10	Manor Parc	Hong Kong		50,000	641		
11	The Garrison	Hong Kong		400	9		
12	Others	Hong Kong		1,000	36		
13	Dorsett Bukit Bintang	Kuala Lumpur		27,000	130		
14	21 Anderson Road	Singapore		86,000	1,104		
Subtotal (completed development)				591,400	4,549		
Total (presales + pipeline + inventory) as at 30.09.2020				10,212,400	55,150		

Notes:

- (1) The figures represent approximate saleable residential floor area which may vary subject to finalization of development plans.
- (2) The amounts represent expected gross development value attributable to the Group, which may change subject to market conditions.
- (3) The Group has a 33.3% interest in these developments.
- (4) This residential development consists of a total gross floor area of approximately 1,800,000 sq. ft.. The Group has a 50% interest in the development.
- (5) Total saleable floor area of this development is approximately 410,000 sq. ft.. The Group has a 70% interest in the development. Revenue for this development is recognised based on a percentage of completion basis. Amounts shown here exclude the portion which has been recognized as revenue up to 30 September 2020.
- (6) Total saleable floor area of this development is approximately 160,000 sq. ft.. The Group has a 10% interest in the development.
- (7) Total saleable floor area of this development is approximately 1,050,000 sq. ft.. The Group has a 50% interest in the development.
- (8) Total saleable floor area of this development is approximately 241,000 sq. ft.. The Group has a 80% interest in the development.
- (9) The saleable floor area and GDV figure is estimated based on land already acquired and expected number of units to be built. As the master developer of Northern Gateway, the Group is expecting further land acquisitions which will increase both saleable floor area and GDV for this development.

Hotel Operating Performance

Dorsett Group	1H FY2021	1H FY2020	YoY change
Hong Kong			
Occupancy rate	71.7%	82.5%	-10.8ppts
Average room rate (HK\$)	409	659	-37.9%
RevPAR (HK\$)	294	544	-46.0%
Malaysia			
Occupancy rate	32.4%	72.6%	-40.2ppts
Average room rate (MYR)	154	195	-21.0%
RevPAR (MYR)	50	142	-64.8%
Mainland China			
Occupancy rate	33.4%	70.6%	-37.2ppts
Average room rate (RMB)	283	398	-28.9%
RevPAR (RMB)	94	281	-66.5%
Singapore			
Occupancy rate	92.4%	84.9%	7.5ppts
Average room rate (SGD)	126	175	-28.0%
RevPAR (SGD)	117	149	-21.5%
United Kingdom			
Occupancy rate	20.6%	84.0%	-63.4ppts
Average room rate (GBP)	64	128	-50.0%
RevPAR (GBP)	13	108	-88.0%
Australia			
Occupancy rate	27.6%	n/a	n/a
Average room rate (AUD)	383	n/a	n/a
RevPAR (AUD)	106	n/a	n/a
Dorsett Group Total⁽¹⁾			
Occupancy rate	50.7%	78.0%	-27.3ppts
Average room rate (HK\$)	432	634	-31.9%
RevPAR (HK\$)	219	495	-55.8%
Revenue (HK\$ mn)	338	714	-52.6%
TWC Group	1H FY2021	1H FY2020	YoY change
Occupancy rate	24.4%	67.7%	-43.3ppts
Average room rate (HK\$)	587	586	0.2%
RevPAR (HK\$)	143	397	-64.0%
Revenue (HK\$ mn)	25	63	-60.5%
Total Revenue From Hotel Operations	364	777	-53.2%

Note:

(1) Includes the Ritz-Carlton in Perth and J-Hotel by Dorsett in Kuala Lumpur.

Significant Hidden Value in FEC's Hotel Portfolio

	City / Country	Description	Rooms	Capital Value @ 31.3.2020 (HK\$ mn)	Revaluation Surplus (HK\$ mn)
Hotels in operation					
Hong Kong					
1 Dorsett Wanchai	Hong Kong	Amid Wanchai and Causeway Bay	454	3,880	3,633
2 Cosmo Hotel	Hong Kong	In Hong Kong's prime business area	142	950	841
3 Lan Kwai Fong Hotel @ Kau U Fong	Hong Kong	In CBD and right next to the vibrant hotspots of LKF and SoHo	162	1,330	1,173
4 Silka Seaview	Hong Kong	In the bustling hub of Yau Ma Tei	268	1,090	743
5 Silka Far East	Hong Kong	Steps away from Tsuen Wan MTR station	240	800	679
6 Dorsett Mongkok	Hong Kong	Close by 24/7 shopping and dining hotspots in Mongkok	285	1,290	1,075
7 Dorsett Kwun Tong	Hong Kong	In the heart of Kowloon East	361	1,380	1,105
8 Dorsett Tsuen Wan	Hong Kong	Near Hong Kong International Airport	546	2,310	1,528
9 Silka Tsuen Wan	Hong Kong	In densely populated Kwai Chung district	409	1,324	832
Malaysia					
10 Dorsett Kuala Lumpur	Kuala Lumpur	In the heart of Kuala Lumpur's Golden Triangle	322	465	370
11 Dorsett Grand Subang	Subang Jaya	In the commercial hub of Subang Jaya	478	725	538
12 Dorsett Grand Labuan	Labuan	The only 5-star international chain hotel in Labuan	178	159	85
13 Silka Maytower Hotel & Serviced Residences	Kuala Lumpur	In central Kuala Lumpur	179	150	(14)
14 Silka Johor Bahru	Johor	Gateway from Malaysia to Singapore	248	134	25
15 Dorsett Residences Bukit Bintang	Kuala Lumpur	In Kuala Lumpur's Bukit Bintang neighbourhood	100	246	106
16 J-Hotel by Dorsett	Kuala Lumpur	An artsy boutique hotel in the heart of Kuala Lumpur	154	63	-
Mainland China					
17 Dorsett Wuhan	Wuhan	In the heart of downtown Wuhan	317	1,145	357
18 Dorsett Shanghai	Shanghai	In the heart of the dynamic Pudong new district	264	831	582
19 Dorsett Grand Chengdu	Chengdu	In the famous historical Luomashi district of Chengdu	556	1,036	676
20 Lushan Resort	Lushan	In the heart of a hot spring village at the foothills of Lushan Mountain	229	240	92
Singapore					
21 Dorsett Singapore	Singapore	In historical Chinatown and near business districts	285	1,386	875
22 Oakwood Premier AMTD Singapore (49% stake)	Singapore	In the heart of Singapore's vibrant CBD	268	n/a	n/a
United Kingdom					
23 Dorsett Shepherds Bush	London	In the heart of vibrant Shepherds Bush in West London	317	801	395
24 Dorsett City, London	London	In the heart of the City of London's financial district	267	1,152	627
Australia					
25 The Ritz-Carlton	Perth	At Elizabeth Quay, a landmark waterfront development that connects Perth city with the Swan River	205	933	-
26 Sheraton Grand Mirage (25% stake)	Gold Coast	The Gold Coast's only 5-star absolute beachfront resort	295	n/a	n/a
Europe					
27 Hotel Columbus	Germany	A 4-star hotel in Seligenstadt	117	42	(5)
28 Hotel Freizeit Auefeld	Germany	A 4-star hotel in Hann Münden	93	40	4
29 Hotel Kranichhöhe	Germany	A 4-star hotel in Much	107	52	(2)
30 Hotel Donauwelle	Austria	A 4-star hotel in Linz	176	49	9
31 Hotel Savannah	Czech Republic	A 4-star hotel located just across the Austrian-Czech border	79	104	19
Subtotal of hotels in operation			8,101	24,107	16,348
Hotels under development					
32 Hornsey Town Hall	London	A boutique hotel at Hornsey Town Hall, North London	68	n/a	n/a
33 Dorsett Shepherd's Bush II	London	A serviced apartment extension to Dorsett Shepherds Bush	74	n/a	n/a
34 Dorsett at Consort Place	London	A Dorsett brand hotel	231	n/a	n/a
35 The Ritz-Carlton	Melbourne	A Ritz-Carlton hotel occupies the top 18 floors of West Side Place (Tower 1)	257	n/a	n/a
36 Dorsett Melbourne	Melbourne	A Dorsett brand hotel at West Side Place (Tower 3)	316	n/a	n/a
37 Dorsett at Perth City Link	Perth	A 4 star stand-alone hotel in the Perth entertainment precinct adjacent to the Perth Arena entertainment center	263	n/a	n/a
38 Dorsett Gold Coast (33% stake)	Gold Coast	A Dorsett brand hotel adjacent to The Star Gold Coast Resort	316	n/a	n/a
39 The Star Residences - Epsilon (33% stake)	Gold Coast	A 5-star luxury hotel in Epsilon	200	n/a	n/a
40 Dorsett Sydney (50% stake)	Sydney	A Dorsett brand hotel adjacent to Sydney CBD and Star Casino complex (under planning)	276	n/a	n/a
41-43 Destination Brisbane Consortium (25% stake)	Brisbane	3 world class hotels including The Rosewood, The Star Grand and Dorsett	849	n/a	n/a
44 Kai Tak Hotel	Hong Kong	A flagship Dorsett brand hotel adjoining the Kai Tak Sports Park	400	n/a	n/a
Subtotal of hotels under development			3,250	-	-
Total as at 31 March 2020 (hotels in operation and hotels under development)			11,351	24,107	16,348

Details of Major Investment Properties

Current Investment Properties	Total GFA (sq. ft.)	Pipeline Investment Properties	Total GFA (sq. ft.)
FEC Building, Central, Hong Kong	3,000	Queen's Wharf Brisbane ⁽¹⁾ , Brisbane	430,600
FEC Building, Nathan Road, Hong Kong	38,200	The Star Residences ⁽²⁾ (Tower 1 and 2), Gold Coast	50,000
Far East Centre, Tsuen Wan, Hong Kong	37,300	Kai Tak, Hong Kong	195,100
Tsuen Wan Garden, Hong Kong	41,100	Long-lease Residences, Baoshan District, Shanghai	1,359,633
The Garrison, Hong Kong	5,600	Hornsey Town Hall, London	42,578
Upper West Side, Melbourne	29,300	Consort Place, London	5,896
Xintiandi Shopping Mall, California Garden, Shanghai	252,400	West Side Place, Melbourne	116,000
No. 113 District 17, Lane 699 Jinqiu Road, Shanghai	59,200	Bourke Street, Melbourne	6,900
Cultural Centre, Shanghai	35,200	Perth Hub, Perth	7,400
Dorsett Shanghai, Shanghai	11,500	Total	2,214,107
Dorsett Residences, Singapore	13,000		
21 Anderson Road, Singapore	85,500		
Dorsett Wuhan, Wuhan	400,500		
Total	1,011,800		

Notes:

(1) The Group has a 50% interest of the residential component and 25% interest of the integrated resort component of the development.

(2) The Group has a 33.3% interest in this development.

