



Stock Information

Stock Price (HK\$, as at 31/7/2020)	2.30
52-week range (HK\$)	2.20 – 4.00
Market capitalisation (HK\$ bn)	5.41

FY2020 Annual Result Highlights

Earnings per share (HK cents)	15.5 (-79.1% YoY)
Dividend per share (HK cents)	19.0 (-13.6% YoY)
NAV per share ⁽ⁱⁱⁱ⁾ (HK\$)	11.59 (-12.8% YoY)
Net gearing ratio (%)	56.7 (+11.3 pts YoY)
Total cumulative presales (HK\$ mn)	12,238 (-16.3% YoY)

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I. FY2020 Annual Results – Steering Through a Challenging Environment

On 30 June 2020, Far East Consortium International Limited (“FEC” or “the Group”) was pleased to announce its audited consolidated results for the financial year ended 31 March 2020 (“FY2020”).

The Group recorded revenue of HK\$7.5 billion, a 8.9% increase as compared with the financial year ended 31 March 2019 (“FY2019”) despite the global economic headwinds in FY2020. The growth was mainly driven by higher sales recognition in residential developments which more than compensated the decrease in recurring income businesses.

The global economic uncertainty has unavoidably put pressure on the recurring income businesses. Hotel operations took the biggest hit in the global COVID-19 pandemic. The Group swiftly implemented cost control measures and modified its marketing strategy to mitigate the impact. Meanwhile, three new hotels started to contribute to the recurring income businesses. The performance of car park operations and facilities management, and the gaming operations remained relatively stable. New management contracts were added to the car park portfolio and gaming revenues of Trans World Corporation (“TWC”) were recognized for the full-year for the first time and grew year-on-year.

Net profit attributable to shareholders and adjusted cash profit⁽ⁱ⁾ decreased year-on-year by 78.7% and 42.2% to HK\$366 million and HK\$842 million, respectively. Apart from the global headwinds, the unrepeated one-off gain arising from the bargain purchase of TWC and disposal gain of a stake on BC Group in FY2019, the adverse movements in the fair value of investment properties, hotel pre-operating expenses and higher finance costs in FY2020 also contributed to the decline.

Earnings per share was HK15.5 cents (FY2019: HK74.0 cents) during FY2020. Net asset value per share⁽ⁱⁱⁱ⁾ as at 31 March 2020 was HK\$11.59. The Group remains resilient and continues to generate sustainable value for its shareholders. Including HK4.0 cents of interim dividend paid, total full year dividend for FY2020 was HK19.0 cents per share (FY2019: HK22.0 cents per share). During FY2020, the Group repurchased approximately 50 million shares for a total consideration of approximately HK\$170 million.

Notes:

(i) Adjusted cash profit is calculated by adjusting for fair value changes in investment properties and by adding depreciation and amortization charges to, and subtracting gain on bargain purchase of TWC from, net profit attributable to Shareholders of the Company. The amounts are adjusted for minority interests.

(ii) Includes hotel revaluation surplus.



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II. Partnership with Sainsbury's to redevelop Whitechapel Square in East London

In February 2020, the Group signed a memorandum of understanding with the UK retailer Sainsbury's to redevelop Sainsbury's site at Whitechapel Square in East London. The project will incorporate a new flagship Sainsbury's supermarket, a significant number of residential units, retail space for local businesses and landscaped public space that will likely improve the area for the local community.

The 4.62-acre site is situated within the London Borough of Tower Hamlets, adjacent to Whitechapel Road and within close proximity to Whitechapel Underground and Elizabeth line. Sainsbury's has been redeveloping sites of existing stores into mixed-use schemes to create new homes, provide greater choice for customers and regenerate local communities since 2009. FEC has extensive experience of leading ambitious and community-led projects in the UK. Whitechapel Square is its 3rd large-scale development in the UK to be announced in 2020 following the launch of Aspen at Consort Place and the acquisition of Ensign House, both in South Quay, Canary Wharf.

Tan Sri Dato' David Chiu, Chairman and Chief Executive Officer of FEC said: "The partnership with Sainsbury's is a landmark moment for FEC's international business. The UK arm of FEC is the fastest-growing part of the organisation and as such reflects our ongoing commitment to invest in a reinvigorated UK economy. It's been our intention for some time to work with a retail partner such as Sainsbury's, known for its strong British reputation for quality and service to its local communities. The project will deliver a much-needed new supermarket and, crucially, ease the pressure for new homes in the borough. We understand the vision that Tower Hamlets council is seeking and we're committed to playing a key role in the borough's revitalisation to represent a strategic commitment to the regeneration of East London. This development is at the early stages but we are confident that our shared vision and shared values with Sainsbury's will deliver a thoughtful and dynamic development, creating a thriving supermarket and best-in-class residential accommodation."



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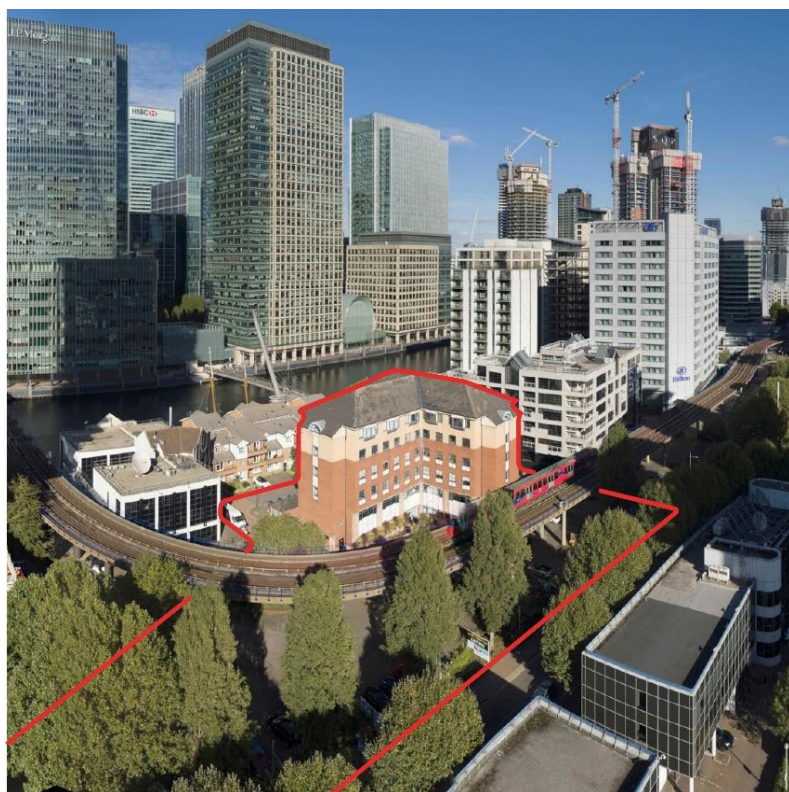


III. Entered into an Agreement to Acquire Ensign House, Canary Wharf, London

In February 2020, the Group executed an agreement for the acquisition of Ensign House in Canary Wharf, London at a consideration of approximately £28 million. Located on the north side of Marsh Wall, the 4,572 square metre site sits adjacent to Aspen at Consort Place, which is a property development owned by FEC consisting of 495 residential units and a 231-room Dorsett hotel with targeted completion in FY2024.

The site currently comprises an office building with a surface car park which will be demolished and replaced with a residentially led mixed-use development. Ensign House benefits from excellent connectivity, located at an approximate 5-minute walk from Canary Wharf itself and Canary Wharf Station, from which is currently approximately 14 minutes into Bond Street by rail. The Elizabeth Line (Crossrail) is due to open in 2020 and will improve connectivity further with Liverpool Street Station of approximately 7 minutes away and Heathrow Airport an approximately 39-minute journey. The circa £250 million development will serve an increasing residential demand for housing in the area whilst FEC continues to work with the local authority, London Borough of Tower Hamlets to deliver a scheme which will also deliver high quality, community-focused public space.

Mr. Chris Hoong, Managing Director of FEC said: “We are very delighted with this acquisition which will significantly strengthen FEC’s development presence in Canary Wharf. Residential demand in South Quay is thriving and we’re looking forward to continuing to work with Tower Hamlets to deliver a highly desirable place to live.”



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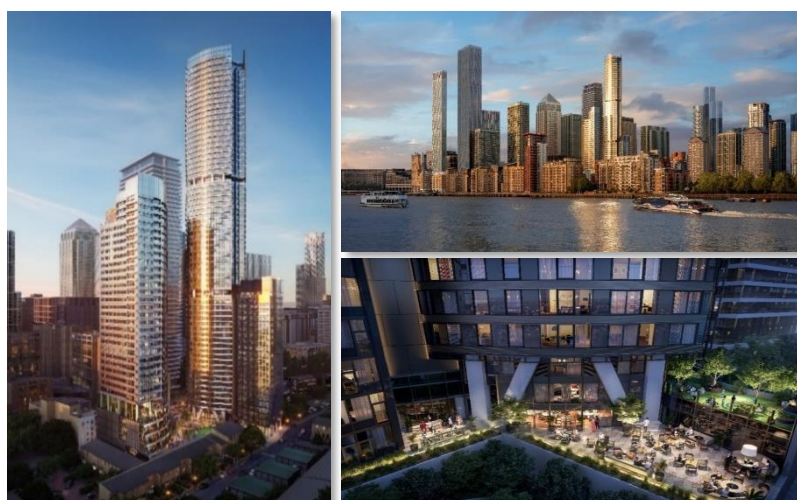
IV. Launch of Tower 4 at Queen's Wharf Residences in Brisbane

With great support from the Brisbane government, the Queen's Wharf Brisbane is one of the major projects across Australia. The project is codeveloped by FEC, Chow Tai Fook and The Star Entertainment Group at a cost of approximately A\$3.6 billion. The project occupies 10% of the Brisbane Central Business District ("CBD"), connecting the CBD to the Brisbane River and South Bank. The development comprises both integrated resort component and residential component which consists of three residential towers. Tower 4 is the only tower directly connected to the integrated resort. Having launched in February 2020, the project received a strong response with attributable GDV of HK\$1.0 billion already presold as at 31 March 2020. Completion of the development is expected to be in FY2024. The construction of the integrated resort component is well underway, on time and budget.



V. Launch of Aspen at Consort Place in London

Aspen at Consort Place is located in Canary Wharf, one of the major business and transportation hubs in London. It is a prime financial centre in London with well-known international banks and financial corporations including HSBC, JP Morgan and Morgan Stanley. Aspen at Consort Place is anticipated to be the 3rd tallest residential development in Canary Wharf once completed in 2023, giving residents astonishing views of the River Thames. The project provides a range of studios, one, two and three bedroom apartments, and penthouses within the 65-storey tower and link to a 231-room Dorsett hotel. There will be a wide variety of restaurants, bars, cafés, parks and recreational spaces in the district.



Launch:
February 2020

Development Address:
Queen's Wharf, Brisbane

Expected Attributable Gross Development Value ("GDV"):
Approx. HK\$1.4 billion

Approximate Attributable Saleable Floor Area (sq. ft.):
253,000

Number of Residential Units:
667

Expected Completion:
FY2024

Group's Interest:
Residential component: 50%
Integrated resort component: 25%

Launch:
February 2020

Development Address:
Canary Wharf, London

Expected Attributable GDV:
Approx. HK\$4.0 billion

Approximate Attributable Saleable Floor Area (sq. ft.):
390,000

Number of Residential Units:
495

Expected Completion:
FY2024

Group's Interest:
100%

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FarEast Vault 遠東保庫

VI. New Business - Far East Vault

The Group has established a new safe deposit box business, Far East Vault (“FEV”), the first dedicated five-star vault to use intelligent security technologies in Hong Kong. The first outlet will start operation in Q3 2020 in Hong Kong, providing around 4,500 safe deposit boxes. This business is expected to contribute to the recurring income stream starting from FY2021.

FEV introduces leading-edge intelligent security technologies to traditional vault services including facial recognition, palm vein scans and real-time QR codes, by combining physical and biometric identification. FEV continues the highest standards of attentive and quality services of FEC, and customers can choose different levels of privacy when using the service. To ensure complete respect for privacy, customers are only required to present identification documents at registration and do not need to disclose the contents of their boxes. VIP viewing rooms are available in the vault area and customers can view their possessions without CCTV monitoring. The intelligent lighting system inside the vault provides added convenience for visiting customers. Full 24-hour security is provided by a team of experienced guards on-site at the security control center. The rental charge for a safe deposit box is HK\$218 and up per month and each safe deposit boxes insured up to HK\$7.8 million.

Mr. Chris Hoong, Managing Director of FEC said: “In recent years, the closure or downsizing of the safe deposit box business operated by major banks in Hong Kong has led to a shortage in the market. Customers generally have to wait for 5 to 7 years for a safe deposit box. FEV offers flexible and personalized safe deposit box services with the leading-edge intelligent security technologies to cater to the market demand. We intend to expand our vaults network in several good locations across Hong Kong. Tsuen Wan one is our first vault.”



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VII. Awards

2019 - 2020 Awards

Caring Company Partnership Expo 2019

- Caring Company Logo

Organisation

Hong Kong Council of Social Service

HKIRA 5th Investor Relations Awards

- Overall Best IR Company (Small-Cap)
- 3 Years IR Awards Winning Company
- Best IR Company
- Best IR in Corporate Transaction
- Best Investor Meeting
- Best Digital IR
- Best Investor Presentation Material
- Best Annual Report
- Best IR Team
- Best IR by Chairman / CEO – Tan Sri Dato' David Chiu

Hong Kong Investor Relations Association

2019 China Financial Market Listed Companies Awards

- Best Investor Relations Award

China Financial Market

9th Asian Excellence Award 2019

- Best Investor Relations Company in Hong Kong
- Asia's Best CEO in Investor Relations – Tan Sri Dato' David Chiu

Corporate Governance Asia

Institutional Investor's 2019 All-Asia Executive Team

- Most Honored Companies (Small & Mid-Cap in developed markets)

Institutional Investor

Asiamoney 30 Years of Corporate Governance Awards (Hong Kong)

- 30 Years of Corporate Governance Awards (Hong Kong) - Ranked first (tied)

Asiamoney

33rd International ARC Awards

- Gold Award: Featured Categories of Property Development: Various & Multi-use
- Gold Award: Overall Presentation in the category of Real Estate Management
- Silver Award: Featured Categories in the category of Property Estate Management
- Bronze Award: Featured Categories in the category of Real Estate Management
- Bronze Award: Overall Presentation in the category of combined annual and sustainability report

MerComm, Inc.

IR Magazine Awards – Greater China 2019

- Best overall investor relations (Small to Mid-cap)
- Best in region: Hong Kong
- Best in sector: Financials (including real estate)

IR Magazine

The Asset ESG Corporate Awards 2019

- Gold Award

The Asset

iNOVA Awards 2019

- Gold Award: Corporate Websites - Corporate Image
- Gold Award: Video - Property Development & Investment
- Silver Award: Investor / Shareholder Relations
- Silver Award: Redesign / Relaunch - Investor Relations
- Silver Award: Redesign / Relaunch - Stakeholder Communications
- Bronze Award: Copy/Scriptwriting
- Bronze Award: Corporate Social Responsibility
- Bronze Award: Corporate Websites - Real Estate
- Bronze Award: Online Annual Reports - Conglomerate

Mercomm, Inc.

3rd China IR Excellence Awards

- Best Innovation Award
- Best Leader Award

Roadshow China

CarbonCare® ESG Label Certificate 2019

- Best Practise in ESG Reporting - Level 3

CarbonCare InnoLab

FinanceAsia's Best Companies Poll 2020

- Best Mid-Cap Company in Hong Kong
- Best CEO in Hong Kong - Ranked Second
- Best Managed Company - Ranked Second
- Best Corporate Governance - Ranked Second
- Most Committed to Social Causes - Ranked Third

FinanceAsia

VIII. Recent Investor Relations Activities

Date	Organiser	Activities	Venue
23 – 26 Aug 2019	Credit Suisse	NDR	Hong Kong
27 Aug 2019	DBS	NDR	Singapore
17 Sept 2019	Jefferies	NDR	Tokyo
29 – 30 Oct 2019	Macquarie	NDR	Australia
29 Nov – 2 Dec 2019	DBS	Post Results NDR	Hong Kong
3 Dec 2019	HSBC	Post Results NDR	Hong Kong
5 Dec 2019	AMTD	Post Results NDR	Hong Kong
9 Dec 2019	DBS	Post Results NDR	Kuala Lumpur
10 – 11 Dec 2019	DBS	Post Results NDR	Singapore
16 Dec 2019	DBS	Post Results NDR	Hong Kong
20 Dec 2019	Roadshow China	Post Results NDR	Hong Kong
13 Jan 2020	DBS & HSBC & JPM	NDR	Singapore
14 Jan 2020	DBS & HSBC & JPM	NDR	Hong Kong
13 – 15 Jan 2020	UBS	20 th Greater China Conference	Shanghai
17 – 20 Jan 2020	DBS & HSBC & JPM	NDR	London
19 Jun 2020	HSBC	4 th Annual Asia Credit Conference	Hong Kong
2 – 3 Jul 2020	DBS	Post Results NDR	Hong Kong/ China/ Singapore/ London (Virtual Conference)
6 Jul 2020	Soliton	Post Results NDR	Hong Kong
6 – 7 Jul 2020	AMTD	Post Results NDR	Hong Kong/ China/ Macau (Virtual Conference)
7 Jul 2020	CIMB	Post Results NDR	Singapore (Virtual Conference)
8 – 10 Jul 2020	DBS	Post Results NDR	United States (Virtual Conference)
9 Jul 2020	Financial PR	16 th Scaling New Heights Asia Investment Forum 2020	Hong Kong

About Far East Consortium International Limited

Far East Consortium International Limited has been listed on the Hong Kong Stock Exchange since 1972 (HKEx stock code:0035.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.