Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

FAR EAST CONSORTIUM INTERNATIONAL LIMITED

遠 東 發 展 有 限 公 司*

(Incorporated in the Cayman Islands with limited liability)

Website: http://www.fecil.com.hk

(Stock Code: 35)

ANNOUNCEMENT OF RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

RESULTS

The board of directors (the "Board") of Far East Consortium International Limited (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively, the "Group") for the financial year ended 31 March 2021 ("FY2021") as follows:

BUSINESS UPDATE

- The COVID-19 outbreak has been affecting most segments of the global economy for the last 18 months. The Group continues to remain prepared for a prolonged uncertain and challenging economic environment. FY2021 continued to be dominated by the impact of the COVID-19 outbreak and it was the first year where the impact was felt for the entire financial year. To varying degrees, all our businesses have been affected by the ongoing outbreak of COVID-19.

- The Group recorded revenues of approximately HK$5.9 billion in FY2021, a decrease of 20.2% compared to last year. The Group continued to take active steps to reduce costs and expenses, to optimize its operations, to monetize assets and to shore up liquidity. With all the actions taken, the Group has managed to lessen the impact of reduced revenues. As the economy recovers gradually over the next few months, the Group's financial performance should benefit.

* *For identification purposes only*

- Revenue contribution from property development amounted to HK$4.2 billion in FY2021, a decrease compared to HK$4.8 billion in FY2020. Despite COVID-19, the Group successfully completed a number of residential development projects during the year, such as Artra in Singapore, and the lower to mid-levels of West Side Place (Towers 1 and 2) in Melbourne. The handover process of West Side Place (Towers 1 and 2) started towards the end of the first half of the financial year ended 31 March 2021 and is expected to continue by phases in FY2022, providing steady cash inflows to the Group.

- Cumulative attributable presales value of properties under development amounted to HK$13.8 billion as at 31 March 2021. The Group expects to launch a number of development projects in FY2022, namely Mount Arcadia in Hong Kong, the second phase of Victoria Riverside in Manchester, the second phase of Queen's Wharf Residences in Brisbane and Bourke Street in Melbourne.

- The Group continued to replenish its land bank by securing new land in Manchester as it continues to develop the Victoria North with its partner, the Manchester City Council. The Group also partnered with The Star Entertainment Group ("The Star") to acquire a site in Pyrmont, Sydney, located next to the existing site where The Star operates its casino in Sydney. The intention is to co-develop a mixed-use tower comprising a residential and hotel component. These projects are highly attractive and will provide the pipeline of development for the Group in the years to come.

- Strained by the global COVID-19 pandemic, countries and cities around the world have imposed severe lockdowns for local populations and stringent travel restrictions on both business and leisure travelers. The measures imposed considerably impacted our hotel, car park and gaming businesses. As a consequence, revenue in the Group's recurring income businesses fell by 34.3% year-on-year.

- In our hotel operations, revenues fell by 33.9% year-on-year. The Group took decisive and early actions across its portfolio, such as repositioning assets towards long stay guests and self-quarantine guests, furloughing staff, cutting costs and incentives and reviewing thoroughly all its expenses. These measures, combined with an improvement in the business environment, have led to a gradual recovery in hotel performance since June 2020, especially in Hong Kong, the main contributor to our hotel operations.

- The openings of the Ritz-Carlton in Melbourne, the Dorsett Gold Coast and the extension of the Dorsett Shepherds Bush hotel expected in the second half of the financial year ended 31 March 2022 ("2H FY2022") are the next major milestones for the Group's hotel operations and are expected to contribute to the Group's recurring revenue stream starting in FY2022.

- Contribution from car park operations and facilities management declined by 33.9% due to the lockdown measures and/or travel restrictions imposed by various cities or states where the Group operates. The impact was most felt in Melbourne which endured a long and strict lockdown. However, the car park operations delivered positive earnings before interest, taxes, depreciation and amortization ("EBITDA") in FY2021 with the successful implementation of a rationalization program.

- Our gaming operations in the Czech Republic were significantly impacted by local government anti-pandemic measures. However, we took swift actions to reduce operating expenses by reducing staff and general expenditure. Together with the government subsidies received, the operations recorded a positive EBITDA in FY2021.

- BC Investment Group Holdings Limited (formerly known as BC Group Holdings Limited) ("BCG"), a company in which the Group has a 52.03% stake, continued to grow steadily in FY2021. Along with the successful expansion of its mortgage business into the United Kingdom ("UK") market during the year, BCG enlarged its loan book with loans and advances rising from AUD976 million as at 31 March 2020 to AUD1.2 billion as at 31 March 2021. The net interest margin expanded to 2.32% as at 31 March 2021 (2.07% as at 31 March 2020).

FINANCIAL HIGHLIGHTS

- Despite the challenging environment, the Group still managed to be profitable. Profit attributable to shareholders increased by 48.5% year-on-year to HK$543 million and adjusted cash profit[(i)] decreased by 14.3% to HK$722 million, in FY2021.

- Cost control initiatives were implemented to mitigate the impact of the COVID-19 outbreak. Thanks to the incentives and compensation programmes offered by various governments across the world, the Group received approximately HK$203 million. As a result, the financial impact of the COVID-19 outbreak in FY2021 has been, to some extent, mitigated.

- The Group continued to maintain a sound financial position. During the year, the Group issued 10-year notes for a principal amount of HK$200 million at 5.15% coupon, 12.25-year notes for a principal amount of HK$200 million at 5.25% coupon and 3-year notes for a principal amount of US$235 million at 5.10% coupon. Furthermore, the Group entered into a facility agreement with a group of banks for a 3-year unsecured term loan facility of HK$1,500 million. These proceeds will help the Group in maintaining a comfortable liquidity position and lengthen the debt maturity profile. Net gearing ratio[(ii)(iii)] and net debt to total adjusted assets[(iv)] stood at a prudent level of 54.9% and 28.2% as at 31 March 2021, respectively.

- The Group's net debt increased slightly from HK$17.4 billion as at 31 March 2020, to HK$19.0 billion as at 31 March 2021. The Group continued to maintain a comfortable level of liquidity with HK$8.6 billion of cash and marketable securities available as at 31 March 2021. Furthermore, the Group had 8 hotel properties unencumbered valued at HK$3.9 billion and approximately HK$4.1 billion in unsold residential inventory, as at 31 March 2021, respectively.

- Net asset value per share rose by 12.9% from HK$11.59 as at 31 March 2020 to HK$13.09 as at 31 March 2021. The Group also repurchased approximately 11 million shares for a total consideration of approximately HK$30 million in FY2021.

- In addition to retained profit for the year, The Star's share price recovered strongly in FY2021. Furthermore, most local currencies in the countries where we operate rebounded against the Hong Kong dollar, our reporting currency. As a consequence, the Group's total adjusted equity[(v)] rose from HK$30.7 billion as at 31 March 2020, to HK$34.6 billion as at 31 March 2021, an increase of 12.9%.

POST YEAR END EVENTS

- In April 2021, the Group entered into an agreement with Bonjour Holdings Limited ("Bonjour") through the subscription of HK$129.5 million 8% coupon secured and guaranteed convertible bonds due 2026 issued by a subsidiary of Bonjour. The Group is evaluating the redevelopment potential of Bonjour's headquarters.

- The Group continued to enhance its capital efficiency by actively disposing of non-core assets. Post year end, the Group completed the disposal of certain retail units in Perth and car park units in Australia and Mainland China.

- The Group entered into an agreement on 15 June 2021 to sell the property holding company and the operating company of Dorsett City London, a 267-room freehold hotel, for an enterprise value of GBP115 million. The Group expects to recognize a gain on disposal of approximately GBP50 million upon the completion of the sale.

- In May 2021, BCG entered into a strategic partnership with Novatti Group Limited (ASX:NOV) ("Novatti") by investing AUD2 million into Novatti's dedicated banking subsidiary, Novatti B Holding Company Pty Ltd ("NBHC"), as part of a seed funding round, to acquire a 19.9% share of NBHC. BCG will also commit AUD2.5 million as part of the Series A funding round of NBHC. These funds will enable NBHC to accelerate its development.

- Along with the successful expansion into the UK market, BCG completed its second RMBS offering raising AUD500 million at a blended interest rate of 2.1% per annum. BCG is also planning to start the asset management business which will enable BCG to grow further and be diversified to not just lending on residential properties but to other assets.

- In June 2021, the Group completed the acquisition of a piece of land in Tuen Mun, Hong Kong, which is earmarked for residential development.

OUTLOOK

- Looking ahead, the operating environment is improving in parts of our business, especially in countries that have managed the COVID-19 outbreak more successfully. The steps taken to reduce our cost base means that as business recovers, the profitability will improve. This bodes well for the Group's performance when the COVID-19 outbreak is contained or fully eradicated.

- On the property development front, on top of the new launches planned, the Group remains on the look-out for attractive landbank opportunities and joint venture partners when appropriate opportunities arise. The Group believes that Hong Kong, the UK and the Australian markets continue to offer attractive returns.

- The increasing uptake of COVID-19 vaccinations in major developed countries creates positive tailwind on the recovery and it is anticipated that international travel restrictions could gradually ease. Together with the implementation of travel bubbles with neighboring countries and the expansion of "Return2HK scheme", the hotel business is believed to be on the road to recovery.

- The Group remains committed to recycling its capital by exploring the sale of its non-core assets within its asset portfolios.

- With respect to car park operations, a strategic review has been initiated to assess the best way forward to grow the business and take advantage of the current environment.

- The construction of the integrated resort at Queen's Wharf, Brisbane ("QWB") is well underway. The retail giant, DFS Group, has signed up to manage the three-level retail emporium comprising over 6,000 sq.m. of retail and leisure space. DFS Group is expected to bring more than 100 global prestige brands to join this shopping haven. This landmark deal will bolster QWB's reputation as Australia's future international tourism and leisure hotspot and enhance the value of the integrated resort and the residential units.

- The Group initiated ground work for the award of a Malta online gaming licence which will enable Trans World Corporation ("TWC") to offer its gaming experience into certain European countries.

- BCG is expected to continue to grow fast as non-residents' demand for residential mortgages in Australia and in the UK remains firm. BCG is also exploring a number of mid-sized acquisitions to bulk-up and to add new products and services to its offering.

Notes:

(i) Adjusted cash profit is calculated by adjusting for fair value changes in investment properties and by adding depreciation and amortisation charges to net profit attributable to shareholders. The amounts are adjusted for minority interests.

(ii) Net gearing ratio represents total bank loans, notes and bonds less investment securities, bank and cash balances divided by carrying amount of total equity and hotel revaluation surplus.

(iii) Revaluation surplus on hotel assets of approximately HK$17,550 million was based on independent valuations carried out as at 31 March 2021 and was not recognized in the Company's consolidated financial statements, but was adjusted for the calculations of net asset value per share and the net gearing ratio.

(iv) Adjusting for the unrecognised hotel revaluation surplus of approximately HK$17,550 million, which is based on independent valuations assessed as at 31 March 2021, and including the perpetual capital notes.

(v) Total adjusted assets include revaluation surplus on hotel assets.

Financial year ended/ending 31 March is referred to as "FY" throughout this announcement.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 MARCH 2021

	NOTES	**2021** **HK$'000**	2020 *HK$'000*
Revenue		**5,943,694**	7,450,604
Cost of sales and services		**(3,629,017)**	(4,742,094)
Depreciation of hotel and car park assets		**(473,194)**	(449,158)
Gross profit		**1,841,483**	2,259,352
Other income		**259,726**	143,111
Other gains and losses	*4*	**425,824**	(15,517)
Administrative expenses			
– Hotel operations and management		**(319,553)**	(441,905)
– Others		**(342,404)**	(409,314)
Pre-operating expenses			
– Hotel operations and management		**–**	(27,601)
Selling and marketing expenses		**(245,274)**	(193,773)
Share of results of associates		**(13,108)**	(11,485)
Share of results of joint ventures		**(31,082)**	2,878
Finance costs	*5*	**(309,785)**	(468,425)
Profit before tax		**1,265,827**	837,321
Income tax expense	*6*	**(460,087)**	(286,340)
Profit for the year	*7*	**805,740**	550,981
Attributable to:			
Shareholders of the Company		**543,194**	365,853
Owners of perpetual capital notes		**199,713**	98,564
Other non-controlling interests		**62,833**	86,564
		262,546	185,128
		805,740	550,981
Earnings per share	*8*		
Basic *(HK cents)*		**22.9**	15.5
Diluted *(HK cents)*		**22.9**	15.5

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2021

	2021 HK$'000	2020 HK$'000
Profit for the year	**805,740**	550,981
Other comprehensive income (expense) for the year		
Item that will not be reclassified to profit or loss:		
Fair value change on equity instruments at fair value through other comprehensive income ("FVTOCI")	**525,837**	(402,838)
Items that may be subsequently reclassified to profit or loss:		
Exchange differences arising on translation of foreign operations	**1,974,889**	(1,559,653)
Fair value change on debt instruments at FVTOCI	**114,742**	(255,663)
Reclassification adjustment on disposal of debt instruments at FVTOCI during the year	**(66,408)**	(28,359)
Other comprehensive income (expense) for the year	**2,549,060**	(2,246,513)
Total comprehensive income (expense) for the year	**3,354,800**	(1,695,532)
Total comprehensive income (expense) attributable to:		
Shareholders of the Company	**3,072,424**	(1,840,709)
Owners of perpetual capital notes	**199,713**	73,696
Other non-controlling interests	**82,663**	71,481
	282,376	145,177
	3,354,800	(1,695,532)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 31 MARCH 2021

	NOTES	**2021** **HK$'000**	2020 *HK$'000*
Non-current Assets			
Investment properties		**8,159,748**	7,243,208
Property, plant and equipment		**12,593,755**	11,160,856
Goodwill		**68,400**	68,400
Interests in associates		**1,800,616**	1,237,775
Interests in joint ventures		**1,095,822**	791,846
Investment securities		**1,136,241**	492,852
Derivative financial instruments		**–**	37,222
Deposits for acquisition of property, plant and equipment		**95,372**	88,045
Amount due from an associate		**62,864**	62,864
Amounts due from joint ventures		**26,154**	58,572
Amount due from an investee company		**119,995**	119,995
Loan receivables		**210,876**	259,651
Pledged deposits		**9,525**	20,409
Deferred tax assets		**249,086**	93,653
		25,628,454	21,735,348
Current Assets			
Properties for sale			
Completed properties		**1,613,798**	1,966,189
Properties under development		**12,334,478**	9,983,444
Other inventories		**9,735**	11,146
Debtors, deposits and prepayments	*10*	**1,143,837**	379,091
Customers' deposits under escrow		**335,818**	147,527
Loan receivables		**7,029**	9,269
Contract assets		**–**	1,103,698
Contract costs		**315,042**	283,787
Amounts due from joint ventures		**463,399**	349,392
Amounts due from associates		**18,557**	24,717
Amount due from a shareholder of non-wholly owned subsidiary		**109,211**	–
Tax recoverable		**92,713**	160,697
Investment securities		**3,006,565**	2,534,548
Derivative financial instruments		**3,531**	–
Pledged deposits		**377,050**	51,600
Restricted bank deposits		**14,016**	120,932
Deposit in a financial institution		**46,316**	6,880
Bank balances and cash		**4,365,751**	2,911,726
		24,256,846	20,044,643
Investment properties held for sale		**15,488**	–
		24,272,334	20,044,643

	NOTES	2021 HK$'000	2020 HK$'000
Current Liabilities			
Creditors and accruals	*11*	**1,694,889**	1,264,635
Contract liabilities		**689,615**	310,598
Lease liabilities		**81,139**	77,253
Amount due to a related company		**807**	751
Amounts due to associates		**51,326**	6,897
Amounts due to shareholders of non-wholly owned subsidiaries		**168,997**	395,126
Derivative financial instruments		**7,045**	3,397
Notes		**1,834,899**	–
Tax payable		**747,998**	368,283
Bank and other borrowings		**10,438,601**	6,505,953
		15,715,316	8,932,893
Net Current Assets		**8,557,018**	11,111,750
Total Assets less Current Liabilities		**34,185,472**	32,847,098
Non-current Liabilities			
Lease liabilities		**645,758**	547,086
Derivative financial instruments		**6,807**	–
Notes		**3,384,017**	3,548,124
Bank borrowings		**11,919,164**	13,405,809
Deferred tax liabilities		**1,046,665**	903,317
Other liabilities		**128,798**	129,028
		17,131,209	18,533,364
Net Assets		**17,054,263**	14,313,734
Capital and Reserves			
Share capital		**239,508**	236,942
Share premium		**4,584,371**	4,534,687
Reserves		**8,973,151**	6,346,903
Equity attributable to shareholders of the Company		**13,797,030**	11,118,532
Owners of perpetual capital notes		**2,883,903**	2,904,535
Other non-controlling interests		**373,330**	290,667
		3,257,233	3,195,202
Total Equity		**17,054,263**	14,313,734

NOTES
FOR THE YEAR ENDED 31 MARCH 2021

1. GENERAL

The Company was incorporated as an exempted company with limited liability in the Cayman Islands. The shares of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The Company and its subsidiaries are together referred to as the Group.

2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

Amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the Amendments to References to the Conceptual Framework in HKFRS Standards and the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") for the first time, which are mandatorily effective for the annual period beginning on or after 1 April 2020 for the preparation of the consolidated financial statements:

Amendments to HKAS 1 and HKAS 8	Definition of Material
Amendments to HKFRS 3	Definition of a Business
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform

The application of the Amendments to References to the Conceptual Framework in HKFRS Standards and the amendments to HKFRSs in the current year had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

In addition, the Group has early applied the Amendment to HKFRS 16 *COVID-19-Related Rent Concessions and Amendments* to HKFRS 16 *COVID-19-Related Rent Concessions beyond 30 June 2021.*

New and amendments to HKFRSs in issue but not yet effective for the current year

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

HKFRS 17	Insurance Contracts and the related Amendments[3]
Amendments to HKFRS 3	Reference to the Conceptual Framework[2]
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform – Phase 2[1]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[4]
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)[3]
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies[3]
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction[3]
Amendments to HKAS 8	Definition of Accounting Estimates[3]
Amendments to HKAS 16	Property, Plant and Equipment – Proceeds before Intended Use[2]
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract[2]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2018–2020[2]

[1] Effective for annual periods beginning on or after 1 January 2021
[2] Effective for annual periods beginning on or after 1 January 2022
[3] Effective for annual periods beginning on or after 1 January 2023
[4] Effective for annual periods beginning on or after a date to be determined

3. SEGMENT INFORMATION

The Group determines its operating segments based on internal reporting about components that are regularly reviewed by the chief operating decision makers (the "CODM"). Information reported to the Group's CODM, who are the executive directors of the Company, for the purposes of resource allocation and assessment of performance is mainly focused on the different management teams of related business operations by various geographical locations (including interests in associates and joint ventures) stated as below:

– Property development (including investment properties developed and managed by the same management team)

– Property investment

– Hotel operations and management (including investment properties which are an integral part of the hotel buildings and which are managed by the hotel management team as well as securities investments made and monitored by the same team)

– Car park operations and facilities management

– Gaming operations (including investment in The Star Entertainment Group which is engaged in the gaming business in Australia and is classified as equity instruments at FVTOCI)

– Securities and financial product investments

– Provision of mortgage services (including as securities investments made and monitored by the same team)

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable and operating segment.

	Segment revenue		Segment profit (loss)	
	2021	2020	**2021**	2020
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Property development				
– Australia	**2,214,158**	1,368,695	**349,190**	103,796
– Hong Kong ("HK")	**234,501**	1,195,573	**3,973**	425,428
– Malaysia	**6,529**	23,199	**(1,429)**	5,831
– Other regions in People's Republic of China excluding HK ("PRC")	**778,550**	294,960	**502,277**	308,111
– Singapore	**986,886**	1,951,357	**378,952**	436,822
– United Kingdom ("UK")	**5,442**	1,192	**16,592**	(1,660)
	4,226,066	4,834,976	**1,249,555**	1,278,328
Property investment				
– Australia	**6,877**	9,669	**19,875**	28,013
– HK	**41,078**	39,844	**4,810**	32,220
– PRC	**42,456**	16,608	**16,663**	(20,036)
	90,411	66,121	**41,348**	40,197
Hotel operations and management				
– Australia	**110,028**	56,215	**(61,974)**	(55,018)
– Europe (other than UK)	**28,780**	121,448	**(8,197)**	(12,500)
– HK	**468,619**	472,195	**4,665**	(87,042)
– Malaysia	**76,648**	189,979	**(22,476)**	12,798
– PRC	**110,138**	187,964	**308,555**	(53,500)
– Singapore	**63,358**	82,842	**25,348**	4,101
– UK	**31,387**	234,891	**(43,166)**	68,310
	888,958	1,345,534	**202,755**	(122,851)
Car park operations and facilities management				
– Australia and New Zealand	**474,518**	674,258	**3,032**	5,048
– Europe	**26,313**	73,757	**(29,495)**	(11,542)
– Malaysia	**1,364**	11,767	**(2,813)**	6,821
	502,195	759,782	**(29,276)**	327
Gaming operations				
– Australia	**–**	48,568	**(51)**	48,549
– Czech Republic	**87,811**	222,655	**9,664**	30,685
	87,811	271,223	**9,613**	79,234
Securities and financial product investments	**107,700**	136,061	**243,029**	74,554

	Segment revenue		Segment profit (loss)	
	2021	2020	**2021**	2020
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Provision of mortgage services				
– Australia	**32,297**	27,466	**49,025**	33,571
– HK	**8,256**	9,441	**7,633**	8,835
	40,553	36,907	**56,658**	42,406
Segment revenue/segment profit	**5,943,694**	7,450,604	**1,773,682**	1,392,195
Unallocated corporate income and expenses			**(147,034)**	(144,835)
Net foreign exchange (loss) gain			**(51,036)**	58,386
Finance costs			**(309,785)**	(468,425)
Profit before tax			**1,265,827**	837,321

None of the segments derived any revenue from transactions with other segments.

No revenue from any single customer contributed over 10% of the total revenue of the Group.

Segment profit (loss) represents the profit earned by (loss from) each segment without allocation of central administration costs, certain bank interest income, net foreign exchange (loss) gain, directors' emoluments and finance costs. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

Segment assets

The following is an analysis of the Group's assets by reportable segment as at the end of the reporting period. Segment assets represent assets held by each segment without allocation of corporate assets which are mainly bank balances and cash and deposit in a financial institution.

	2021	2020
	HK$'000	*HK$'000*
Property development		
– Australia	**8,552,873**	6,475,475
– HK	**2,077,878**	1,891,078
– Malaysia	**410,968**	404,347
– PRC	**3,006,192**	2,528,983
– Singapore	**4,672,612**	5,317,486
– UK	**3,494,892**	1,845,815
	22,215,415	18,463,184
Property investment		
– Australia	**339,693**	257,809
– HK	**4,161,992**	3,870,967
– PRC	**4,324**	4,567
	4,506,009	4,133,343

	2021	2020
	HK$'000	*HK$'000*
Hotel operations and management		
– Australia	**2,068,802**	1,534,962
– HK	**4,393,750**	4,357,103
– Malaysia	**843,071**	845,504
– PRC	**2,231,990**	1,582,534
– Singapore	**573,985**	758,811
– UK	**1,296,670**	1,151,748
– Europe (other than UK)	**282,288**	269,321
	11,690,556	10,499,983
Car park operations and facilities management		
– Australia and New Zealand	**1,480,495**	1,398,166
– Europe	**570,435**	398,331
– Malaysia	**142,197**	138,384
	2,193,127	1,934,881
Gaming operations		
– Australia	**1,059,400**	493,943
– Czech Republic	**353,354**	298,508
	1,412,754	792,451
Securities and financial product investments	**2,808,408**	2,230,900
Provision of mortgage services		
– Australia	**448,064**	542,814
– HK	**208,601**	258,569
	656,665	801,383
Segment assets	**45,482,934**	38,856,125
Unallocated corporate assets	**4,417,854**	2,923,866
Total assets	**49,900,788**	41,779,991

4. OTHER GAINS AND LOSSES

	2021	2020
	HK$'000	*HK$'000*
Change in fair value of investment properties	**382,882**	(20,865)
Change in fair value of financial assets at fair value through profit or loss	**80,834**	(96,854)
Gain on disposal of debt instruments at FVTOCI	**66,408**	28,359
Change in fair value of derivative financial instruments	**(43,813)**	20,899
Net foreign exchange (loss) gain	**(51,036)**	58,386
Allowance for expected credit loss	**(11,050)**	(4,990)
Gain (loss) on disposal of property, plant and equipment	**1,599**	(452)
	425,824	(15,517)

5. FINANCE COSTS

	2021	2020
	HK$'000	*HK$'000*
Interest on:		
Bank borrowings	**499,747**	613,220
Other loans	**12,717**	18,857
Interest on lease liabilities	**21,239**	20,950
Interest on notes	**165,160**	148,555
Amortisation of front-end fee	**19,069**	17,620
Others	**10,824**	20,369
Total interest costs	**728,756**	839,571
Less: amounts capitalised to:		
– properties for sale (properties under development)	**(377,800)**	(343,678)
– owners' occupation (property, plant and equipment)	**(41,171)**	(27,468)
	309,785	468,425

6. INCOME TAX EXPENSE

	2021	2020
	HK$'000	*HK$'000*
The income tax expense comprises:		
Current tax:		
Hong Kong Profits Tax	**54,690**	83,608
PRC Enterprise Income Tax ("PRC EIT")	**201,769**	54,819
PRC Land Appreciation Tax ("PRC LAT")	**111,157**	40,015
Australia Income Tax	**56,052**	17,141
Malaysia Income Tax	**2,822**	4,780
Singapore Income Tax	**165,068**	6,507
Czech Republic Income Tax	**507**	6,421
	592,065	213,291
Under(over)provision in prior years:		
Hong Kong Profits Tax	**(3,382)**	318
PRC EIT	**7,027**	31,958
Australia Income Tax	**(8,758)**	(8,279)
Malaysia Income Tax	**–**	149
Singapore Income Tax	**–**	24
UK Income Tax	**–**	(8,282)
	(5,113)	15,888
Deferred taxation	**(126,865)**	57,161
	460,087	286,340

The directors of the Company considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for both years.

PRC EIT is calculated in accordance with the EIT Law and Implementation Regulations of the EIT Law at the rate of 25% for both years.

PRC LAT is levied at the deemed levying rates in accordance with the relevant PRC tax laws and regulations.

The domestic statutory tax rate of Australia, Malaysia, Singapore, UK and Czech Republic is 30%, 24%, 17%, 19% and 19% (2020: 30%, 24%, 17%, 19% and 19%) of the estimated assessable profits, respectively.

7. PROFIT FOR THE YEAR

	2021	2020
	HK$'000	*HK$'000*
Profit for the year has been arrived at after charging:		
Cost of properties sold recognised as an expense		
– Over time	**556,204**	1,443,992
– At point of time	**2,128,280**	1,973,078
	2,684,484	3,417,070
Auditor's remuneration	**16,358**	13,384
Depreciation of property, plant and equipment (included depreciation of leased properties with HK$90,000,000 (2020: HK$89,931,000))	**487,612**	462,467
Amortisation of contract cost	**189,710**	148,200
COVID-19-related rent concessions	**14,646**	N/A
Staff costs (included HK$389,500,000 (2020: HK$480,089,000) in cost of sales and services)	**719,041**	885,026
Share of taxation of associates (included in share of results of associates)	**885**	1,337
and after crediting:		
Bank interest income	**7,773**	10,462
Government grants *(Note)*	**203,032**	N/A

Note: During the current year, the Group recognised government grants received from the government from various regions in aggregate amount of HK$203,032,000 in respect of COVID-19-related subsidies. The amount is included in other income.

8. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the shareholders of the Company is based on the consolidated profit for the year attributable to the shareholders of the Company of HK$543,194,000 (2020: HK$365,853,000) and the number of shares calculated as follows:

	2021	2020
	'000	*'000*
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	**2,368,457**	2,358,214

9. DIVIDENDS

	2021	2020
	HK$'000	*HK$'000*
Dividends recognised as distribution during the year:		
2021 interim dividend of HK4.0 cents per share (2020: 2020 interim dividend of HK4.0 cents per share)	**95,456**	94,843
2020 final dividend of HK15.0 cents per share (2020: 2019 final dividend of HK18.0 cents per share)	**352,597**	420,069
	448,053	514,912

The 2021 interim dividend and 2020 final dividend was declared in form of a scrip dividend to shareholders who were given an option to elect to receive cash in lieu of all or part of their scrip dividend at a share price of HK$2.690 and HK$2.218 per share respectively. Shares are issued during the year on the shareholders' election for shares. These new shares rank pari passu to the existing shares of the Company.

A final dividend for the year ended 31 March 2021 of HK15.0 cents (2020: HK15.0 cents) per share, totalling of HK$359,262,000, has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming annual general meeting.

10. DEBTORS, DEPOSITS AND PREPAYMENTS

Included in debtors, deposits and prepayments are trade debtors, net of allowance for expected credit losses, of HK$840,602,000 (2020: HK$123,458,000).

Trade debtors aged over 60 days are past due but are not impaired.

Trade debtors mainly represent receivables from renting of properties, use of hotel facilities and sales of properties. Rentals are payable on presentation of demand notes. Hotel room revenue is normally settled by cash or credit card. The Group allows an average credit period of 14 to 60 days to its corporate customers and travel agents.

Proceeds from sales of properties are settled according to the payment terms of the sale and purchase agreements.

The following is an aged analysis of trade debtors and lease receivables, net of allowance for expected credit losses, based on the invoice date at the end of the reporting period, which approximates the respective revenue recognition date except receivables from sales of properties recognised over time:

	2021	2020
	HK$'000	*HK$'000*
Unbilled	**665,292**	–
0–60 days	**130,198**	97,290
61–90 days	**6,119**	8,742
Over 90 days	**38,993**	17,426
	840,602	123,458

11. CREDITORS AND ACCRUALS

Included in creditors and accruals are trade creditors of HK$872,961,000 (2020: HK$741,469,000). The following is an aged analysis of the trade creditors, based on the invoice date:

	2021	2020
	HK$'000	*HK$'000*
0–60 days	**731,780**	700,139
61–90 days	**5,069**	3,623
Over 90 days	**136,112**	37,707
	872,961	741,469

12. EVENT AFTER THE REPORTING PERIOD

On 15 June 2021, the Group has entered into a sale and purchase agreement with independent third party to dispose its entire equity interest in an indirect wholly-owned subsidiary, which holds a hotel property in the United Kingdom, for an aggregate consideration of GBP115,000,000 (equivalent to approximately HK$1,256,950,000). The Group is in the process of finalising the financial impact of the disposal and it is impracticable to disclose the financial impact as at the date of this announcement.

FINAL DIVIDEND

The Board has recommended the payment of a final dividend for the year ended 31 March 2021 of HK15.0 cents (2020: HK15.0 cents) per ordinary share (the "Proposed Final Dividend"). The Proposed Final Dividend will be paid to the shareholders of the Company (the "Shareholders") whose names appear on the Company's Register of Members on 2 September 2021. The Proposed Final Dividend will be paid in the form of a scrip dividend with Shareholders being given an option to elect to receive cash in lieu of all or part of their scrip dividend entitlements (the "Scrip Dividend Scheme").

The Scrip Dividend Scheme will be subject to (i) Shareholders' approval of the Proposed Final Dividend at the Company's forthcoming annual general meeting to be held on 24 August 2021 (the "2021 AGM"); and (ii) the Stock Exchange granting listing of and permission to deal in the new shares to be allotted thereunder. For the purpose of determining the number of new shares to be allotted, the market value of new shares will be calculated as the average of the closing prices of the existing shares of the Company on the Stock Exchange for the 5 trading days prior to and including 2 September 2021. Full details of the Scrip Dividend Scheme will be set out in a circular which is expected to be sent to the Shareholders together with a form of election on or around 9 September 2021. Dividend warrants and/or new share certificates will be posted on or around 15 October 2021.

CLOSURE OF REGISTER OF MEMBERS

Details of the periods of closure of the Company's Register of Members are as follows:

(a) For determining the entitlement to attend and vote at the 2021 AGM

As set out above, the 2021 AGM is scheduled to be held on Tuesday, 24 August 2021. For determining the entitlement to attend and vote at the 2021 AGM, the Register of Members of the Company will be closed from Thursday, 19 August 2021 to Tuesday, 24 August 2021, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the 2021 AGM, unregistered holders of shares of the Company should ensure that all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Tricor Standard Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 18 August 2021.

(b) For determining the entitlement to the Proposed Final Dividend

As stated above, the Proposed Final Dividend is subject to the approval of Shareholders at the 2021 AGM. For determining the entitlement of the Proposed Final Dividend, the Register of Members of the Company will also be closed from Tuesday, 31 August 2021 to Thursday, 2 September 2021, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for entitlement to the Proposed Final Dividend, unregistered holders of shares of the Company should ensure that all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Tricor Standard Limited, at the above address for registration not later than 4:30 p.m. on Monday, 30 August 2021.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

1. Profit and loss analysis

The Company's consolidated revenue for FY2021 was approximately HK$5.9 billion, a decrease of 20.2% as compared with FY2020, driven primarily by (i) the lower revenue from property development due to less completions and (ii) the adverse impact of the COVID-19 outbreak on the hotel, car park and gaming operations. Gross profit (before depreciation of hotel and car park assets) ("adjusted gross profit") came in at HK$2.2 billion, as compared with HK$2.6 billion for FY2020. A breakdown of the Group's revenue and gross profit is set out below:

	Property development *HK$'000*	Hotel operations and management *HK$'000*	Car park operations and facilities management *HK$'000*	Gaming operations *HK$'000*	Others *HK$'000*	Total *HK$'000*
FY2021						
Revenue	**4,226,066**	**888,958**	**502,195**	**87,811**(i)	**238,664**	**5,943,694**
Gross profit	**1,525,059**	**106,312**	**(4,413)**	**9,573**	**204,952**	**1,841,483**
Depreciation	**–**	**290,709**(ii)	**32,941**(ii)	**11,219**	**–**	**334,869**
Adjusted gross profit	**1,525,059**	**397,021**	**28,528**	**20,792**	**204,952**	**2,176,352**
Adjusted gross profit margin	**36.1%**	**44.7%**	**5.7%**	**23.7%**	**85.9%**	**36.6%**
FY2020						
Revenue	4,834,976	1,345,534	759,782	271,223(i)	239,089	7,450,604
Gross profit	1,404,126	402,320	100,776	146,282	205,848	2,259,352
Depreciation	–	322,352(ii)	28,015(ii)	14,160	–	364,527
Adjusted gross profit	1,404,126	724,672	128,791	160,442	205,848	2,623,879
Adjusted gross profit margin	29.0%	53.9%	17.0%	59.2%	86.1%	35.2%

Notes:

(i) After deduction of gaming tax amounting to HK$37 million (FY2020: HK$89 million).

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

Revenue from sales of properties amounted to approximately HK$4,226 million in FY2021, a decrease of 12.6% as compared with FY2020. Major contributors to the revenues were the revenue recognized from West Side Place (Towers 1 and 2) in Melbourne, Artra in Singapore and the remaining inventory from our Hong Kong, Shanghai and Guangzhou projects. Gross profit of approximately HK$1,525 million was recorded during FY2021, representing a 8.6% year-on-year increase, as a result of the delivery of West Side Place (Towers 1 and 2) and Artra which had of higher gross profit margin.

Impacted by the significant drop in tourism and business traffic globally since early 2020, revenue from hotel operations and management dropped 33.9% as compared with last year to approximately HK$889 million in FY2021. Adjusted gross profit margin for the Group's hotel operations dropped to 44.7% in FY2021 from 53.9% in FY2020, resulting from the reduction in overall hotel average room rates ("ARR") and occupancy rates ("OCC") across the world.

Revenue from car park operations and facilities management recorded a material reduction of 33.9% year-on-year to HK$502 million in FY2021, mainly due to lockdowns and the related travel restrictions imposed by relevant governments. Adjusted gross profit of approximately HK$29 million was recorded for FY2021, a 77.8% drop year-on-year.

Revenue from gaming operations decreased year-on-year by 67.6% to approximately HK$88 million (net of gaming tax) in FY2021. The lower revenue was primarily driven by the temporary closure of casinos announced by the Czech Republic government from April to June 2020 and the nil dividend received on The Star shares attributable to FY2021.

The Group's overall performance in FY2021 was hampered by the outbreak of COVID-19 since the early of 2020. The Group's recurring income businesses have particularly suffered as a result of the travel restrictions worldwide followed by various degrees of business closures. Some of the Group's hotels and gaming operations were forced to close temporarily which inevitably impacted the Group's recurring income businesses. However, the Group managed to be profitable with the profit attributable to shareholders of the Company standing at approximately HK$543 million for FY2021, an increase of 48.5% as compared with HK$366 million for FY2020.

Adjusted cash profit[(i)] was approximately HK$722 million for FY2021, a decrease of 14.3% from HK$842 million recorded for FY2020.

Note:

(i) Adjusted cash profit is calculated by adjusting for fair value changes in investment properties and by adding depreciation and amortisation charges to net profit attributable to shareholders. The amounts are adjusted for minority interests.

2. Liquidity, financial resources and net gearing

The following table sets out the Group's bank and cash balances, investment securities (which are considered as cash equivalent items due to their easily monetizable nature), bank loans and borrowings, obligations under finance leases, and equity as at 31 March 2021.

Consolidated statement of financial position	**As at 31 March 2021** ***HK$ million***	As at 31 March 2020 *HK$ million*
Bank loans, notes and bonds		
Due within 1 year [(i)]	**12,274**	6,506
Due 1–2 years	**5,939**	8,297
Due 2–5 years	**6,581**	8,264
Due more than 5 years	**2,783**	393
Total bank loans, notes and bonds	**27,577**	23,460
Investment securities	**4,143**	3,027
Bank and cash balances[(ii)]	**4,426**	3,040
Liquidity position	**8,569**	6,067
Net debts[(iii)]	**19,008**	17,393
Carrying amount of the total equity[(iv)]	**17,054**	14,314
Add: hotel revaluation surplus	**17,550**	16,348
Total adjusted equity	**34,604**	30,662
Net gearing ratio (net debts to total adjusted equity)	**54.9%**	56.7%
Net debts to total adjusted assets[(v)]	**28.2%**	29.9%

Notes:

(i) Includes an amount of approximately HK$1,153 million which is reflected as liabilities due within one year even though such sum is not repayable within one year, as the relevant banks and/or financial institutions have discretionary rights to demand immediate repayment.

(ii) The amount represents total restricted bank deposits, deposit in a financial institution, and bank balances and cash.

(iii) Net debts represent total bank loans, notes and bonds less investment securities, bank and cash balances.

(iv) Includes perpetual capital notes.

(v) Total adjusted assets include revaluation surplus on hotel assets.

To better manage the Group's liquidity position, the Group's treasury operation allocates a portion of its cash position to marketable and liquid investment securities. Investment securities shown on the consolidated statement of financial position represent primarily fixed-income securities and investments in fixed-income funds, the investment in the listed shares of The Star, which the Group intends to hold for the long term, as well as the investment in notes issued by the trusts which hold the mortgage portfolio managed by BCG, an entity 52.03% owned by the Group.

The liquidity position of the Group as at 31 March 2021 was approximately HK$8.6 billion. The Group's total adjusted equity as at 31 March 2021 was approximately HK$34,604 million, adjusting for the unrecognised hotel revaluation surplus of approximately HK$17,550 million, which is based on independent valuations assessed as at 31 March 2021, and including the perpetual capital notes. The net gearing ratio of the Group fell to 54.9% as at 31 March 2021 from 56.7% as at 31 March 2020.

	As at 31 March 2021 HK$ million	As at 31 March 2020 HK$ million
The Company's notes	**5,219**	3,548
Unsecured bank loans	**3,554**	3,380
Secured bank loans		
– Property development and investment	**8,966**	7,589
– Hotel operations and management	**8,153**	7,292
– Car park operations and facilities management	**738**	629
– Gaming operations	**94**	93
– Others	**853**	929
Total bank loans, notes and bonds	**27,577**	23,460

During the FY2021, the Group continued to manage its financial position prudently. We (i) issued 10-year notes for a principal amount of HK$200 million at 5.15% coupon, 12.25-year notes for a principal amount of HK$200 million at 5.25% coupon and 3-year notes for a principal amount of US$235 million at 5.10% coupon; (ii) entered into a facility agreement with a group of banks for a 3-year unsecured term loan facility of HK$1,500 million; (iii) repurchased an aggregate principal amount of US$22 million of 3.75% notes due 2021 and 4.5% notes due 2023 and completed a tender offer of approximately US$50 million of our 3.75% note due 2021; and (iv) refinanced and repaid approximately HK$2,558 million of construction loans for Hong Kong, Australia and Singapore. The Group will continue to adopt a conservative approach to maintain a flexible and solid financial position.

As at 31 March 2021, the Group's undrawn banking facilities stood at approximately HK$5.2 billion. Of this amount, approximately HK$2.3 billion is associated to construction/development facilities while the balance of approximately HK$2.9 billion is for the Group's general corporate use. The unutilized banking facilities, together with presales to be recognised from the Group's upcoming property development projects, place the Group in a solid financial position to fund not only its existing business and operations but also its expansion going forward.

In addition, a total of 8 hotel assets were unencumbered as at 31 March 2021, the capital value of which amounted to HK$3.9 billion based on independent valuations assessed as at 31 March 2021. The Group has other assets unencumbered such as unsold residential units, retail assets and commercial assets. These assets can be used as collateral for further bank borrowings which could provide additional liquidity for the Group, should this be necessary.

3. Foreign exchange management

In FY2021, the contribution from the Group's non-Hong Kong operations was positively influenced by the movement of foreign currencies against the Hong Kong dollar. The table below sets forth the exchange rates of the Hong Kong dollar against the local currency of countries where the Group has significant operations:

Rate	**As at 31 March 2021**	As at 31 March 2020	**Change**
HK$/AUD	**5.90**	4.78	23.4%
HK$/RMB	**1.18**	1.09	8.3%
HK$/MYR	**1.87**	1.79	4.5%
HK$/GBP	**10.66**	9.57	11.4%
HK$/CZK	**0.35**	0.31	12.9%
HK$/SGD	**5.77**	5.44	6.1%

The rebound in all currencies against the Hong Kong dollar has had a very positive effect on the value of our net assets and our adjusted equity.

4. Net asset value per share

	As at 31 March 2021 ***HK$ million***	As at 31 March 2020 *HK$ million*
Equity attributable to shareholders of the Company	**13,797**	11,119
Add: Hotel revaluation surplus	**17,550**	16,348
Total net asset value	**31,347**	27,467
Number of shares issued (million)	**2,395**	2,369
Net asset value per share	**HK$13.09**	HK$11.59

Adjusting for the revaluation surplus on hotel assets of approximately HK$17,550 million, based on independent valuations assessed as at 31 March 2021, the net asset value attributable to shareholders was approximately HK$31,347 million. Net asset value per share for the Company as at 31 March 2021 was approximately HK$13.09.

5. Capital expenditures

The Group's capital expenditures consisted of expenditures for acquisitions, development and refurbishment of hotel properties, plant and equipment and investment properties.

During FY2021, the Group's capital expenditures amounted to approximately HK$728 million, primarily attributable to the Dorsett Melbourne and the Ritz-Carlton Melbourne in the West Side Place development, the ongoing capital expenditures in relation to our hotels across Australia. The capital expenditures were funded through a combination of borrowings and internal resources.

Given COVID-19, we have reviewed closely each of our projects and all significant capital expenditures. In some cases, we have put on hold or delayed slightly the timing of these expenditures where we felt it was consistent with the operating environment.

6. Capital commitments

The Group continued to review very closely its capital commitments and to seek to optimise its investments and outgoings. It also has put more energy in reviewing its asset portfolio to identify potential assets ripe for disposal.

	As at 31 March 2021 *HK$ million*	As at 31 March 2020 *HK$ million*
Capital expenditures contracted but not provided in the consolidated financial statements in respect of:		
Acquisition, development and refurbishment of hotel properties	**865**	1,187
Commitment to provide credit facility to BCG	**214**	94
Others	**14**	17
	1,093	1,298

BUSINESS REVIEW

1. Property division

The Group's property division includes property development and property investment.

Property development

The Group has a diversified portfolio of residential property developments in Australia, Mainland China, Hong Kong, Singapore, Malaysia and the UK, which are largely focused on the mass residential market. Our strong regional diversification reduces volatility and allows us to take advantage of different property cycles. To carry out property development in the various markets, the Group has established strong local teams in each of these markets. Our local presence allows the Group to identify trends and source the most attractive opportunities. The Group is also actively looking to work with property owners for redevelopment opportunities, an example of which is the partnership with The Star. These land acquisition strategies have resulted in a relatively low land cost base for the Group's development projects and little capital kept idle in a land banking strategy.

Total attributable cumulative presales value of the Group's residential properties under development amounted to approximately HK$13.8 billion as at 31 March 2021, an increase of HK$1.6 billion or 13.0% compared with 31 March 2020. Most presales proceeds are not reflected in the Group's consolidated income statement until the point in time when the relevant projects are completed. The following table sets out a breakdown of the Group's total cumulative attributable presales value of residential properties under development as at 31 March 2021.

Developments	**Location**	**Attributable presales** *HK$ million*	**Actual/ Expected financial year of completion**
West Side Place (Towers 1 and 2)	Melbourne	2,878[(i)]	FY2021/ FY2022
West Side Place (Tower 3)	Melbourne	2,540	FY2024
West Side Place (Tower 4)	Melbourne	2,680	FY2024
Queen's Wharf Residences (Tower 4)	Brisbane	1,451	FY2024
Perth Hub	Perth	564	FY2022
The Star Residences (Tower 1)	Gold Coast	473	FY2023
The Star Residences – Epsilon (Tower 2)	Gold Coast	397	FY2024
Aspen at Consort Place	London	1,079	FY2025
Hornsey Town Hall	London	343	FY2022
MeadowSide (Plots 2 and 3)	Manchester	585	FY2022
MeadowSide (Plot 5)	Manchester	421	FY2022
New Cross Central	Manchester	173	FY2023
Victoria Riverside	Manchester	47	FY2023
Hyll on Holland	Singapore	63	FY2024
Cuscaden Reserve	Singapore	12	FY2024
Dorsett Place Waterfront Subang	Subang Jaya	128	FY2023
Total		13,834	

Note:

(i) Excludes contracted presales already recognized as revenue up to 31 March 2021.

As at 31 March 2021, the expected attributable gross development value ("GDV") of the Group's active residential property development projects under various stages of development across the regions was approximately HK$55.6 billion.

Details of the Group's current pipeline are shown below:

Developments	Attributable saleable floor area[i] *Sq. ft.*	Expected Attributable GDV[ii] *HK$ million*	Status/ expected launch	Expected financial year of completion
<u>Pipeline developments</u>				
Melbourne				
West Side Place				
– Towers 1 and 2	631,000	3,226	Completed by stage	FY2021/ FY2022
– Tower 3	518,000	2,669	Launched	FY2024
– Tower 4	621,000	3,173	Launched	FY2024
Bourke Street	595,000	2,762	FY2022	FY2024
Perth				
Perth Hub	230,000	919	Launched	FY2022
Brisbane				
Queen's Wharf Residences[iii]				
– Tower 4	253,000	1,735	Launched	FY2024
– Tower 5	269,000	1,846	Planning	Planning
– Tower 6	269,000	1,846	Planning	Planning
Gold Coast				
The Star Residences[iv]				
– Tower 1	111,000	531	Launched	FY2023
– Tower 2 – Epsilon	109,000	619	Launched	FY2024
– Towers 3 to 5	374,000	2,122	Planning	Planning
Hong Kong				
Mount Arcadia	84,000	1,678	FY2022	FY2022
London				
Aspen at Consort Place	377,000	4,421	Launched	FY2025
Hornsey Town Hall	108,000	1,009	Launched	FY2022
Ensign House	270,000	2,629	Planning	Planning

Developments	Attributable saleable floor area[i] *Sq. ft.*	Expected Attributable GDV[ii] *HK$ million*	Status/ expected launch	Expected financial year of completion
Manchester				
MeadowSide				
– Plots 2 and 3	220,000	985	Launched	FY2022
– Plot 5	99,000	427	Launched	FY2022
– Plot 4	238,000	1,141	Planning	Planning
Victoria North[v]				
– New Cross Central	62,000	269	Launched	FY2023
– Victoria Riverside	458,000	2,143	Launched	FY2023
– Network Rail	1,532,000	6,124	Planning	Planning
– Others	1,202,000	4,679	Planning	Planning
Singapore				
Hyll on Holland[vi]	192,000	3,158	Launched	FY2024
Cuscaden Reserve[vii]	16,000	363	Launched	FY2024
Malaysia				
Dorsett Place Waterfront Subang[viii]	525,000	1,009	Launched	FY2023
Total developments pipeline as at 31 March 2021	**9,363,000**	**51,483**		
Completed developments available for sale				
Perth				
The Towers at Elizabeth Quay	94,000	771		
Shanghai				
King’s Manor	23,000	154		
The Royal Crest II	22,000	157		
District 17A	18,000	102		
Guangzhou				
Royal Riverside	111,000	411		
Malaysia				
Dorsett Bukit Bintang	28,000	133		

Developments	Attributable saleable floor area(i)	Expected Attributable GDV(ii)	Status/ expected launch	Expected financial year of completion
	Sq. ft.	*HK$ million*		
Hong Kong				
Marin Point	56,000	593		
Manor Parc	48,000	603		
The Garrison	400	10		
Others	1,000	36		
Singapore				
21 Anderson Road	86,000	1,126		
Total completed developments available for sale as at 31 March 2021	**487,400**	**4,096**		
Total pipeline and completed developments available for sale as at 31 March 2021	**9,850,400**	**55,579**		

Notes:

(i) The figures represent approximate saleable residential floor area which may vary subject to finalization of development plans.

(ii) The amounts represent expected gross development value attributable to the Group, which may change subject to market conditions.

(iii) This residential development consists of a total gross floor area ("GFA") of approximately 1,800,000 sq. ft.. The Group has 50% interest in the development.

(iv) The Group has 33.3% interest in these developments.

(v) 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 Victoria North, the Group is expecting further land acquisitions which will increase both saleable floor area and GDV for this development.

(vi) Total saleable floor area of this development is approximately 241,000 sq. ft.. The Group has 80% interest in the development.

(vii) Total saleable floor area of this development is approximately 160,000 sq. ft.. The Group has 10% interest in the development.

(viii) Total saleable floor area of this development is approximately 1,050,000 sq. ft.. The Group has 50% interest in the development.

The Group signed a memorandum of understanding with Sainsbury's to redevelop the 4.62-acre site of Sainsbury's existing store at Whitechapel in East London. Located within the London Borough of Tower Hamlets and adjacent to Whitechapel Road, the Whitechapel Square proposal will incorporate a new flagship Sainsbury's supermarket, a significant number of residential units, retail space for local businesses and landscaped public space.

In addition to the above, the Group has entered into a memorandum of understanding with the partners of Destination Brisbane Consortium to develop three further towers at The Star's casino site in Gold Coast, which will further contribute to the residential pipeline of the Group upon receiving planning approval and signing of definitive agreements.

Property investment

Property investment comprises investments in retail and office buildings located mainly in Hong Kong, Mainland China, Singapore and Australia. In FY2021, a fair value gain on investment properties of approximately HK$383 million was recorded. This was attributable primarily to the revaluation gain from the Wuhan mall (see below) which was offset by revaluation losses elsewhere due to weak market conditions globally. As at 31 March 2021, the valuation of investment properties was approximately HK$8.2 billion (31 March 2020: HK$7.2 billion).

In FY2021, the Group entered into a new 18-year lease contract with a flagship sports goods retailer for its Wuhan mall located in the heart of downtown Wuhan. The 18-year lease commencing in October 2020 comprises seven floors with a total retail area of approximately 312,000 sq. ft.. Yearly rental payments will amount to approximately HK$50 million, with a 8.0% step-up every three years. This new lease is approximately 100% higher than the previous equivalent rent received and has led to a revaluation gain of the Wuhan mall of approximately RMB300 million or HK$341 million.

The Group acquired a site at Baoshan District in 2019 in Shanghai which is adjacent to another parcel of land acquired in 2018. These two sites are intended to be developed altogether into a few blocks of residential units to be leased out for recurring income.

In addition, the Group acquired in 2019 a commercial plot in Kai Tak, Hong Kong. Apart from a flagship Dorsett hotel comprising of approximately 400 rooms, the Group intends to develop some office and retail space with approximately 195,000 sq. ft. in GFA. Construction is in progress and financing is in place for this project.

2. Hotel operations and management

The Group owns and operates its hotel portfolio through three distinct lines of business, with focus on the three to four-star hotel segment. These include Dorsett Hotels and Resorts, featuring the upscale “Dorsett Grand” and the mid-scale “Dorsett”, the value-led “Silka” branded hotels, and the “d.Collection” which features boutique hotels with unique identities. The Group’s hotels under these three lines of business are collectively referred to as the “Dorsett Group” with a combined 6,507 rooms in 11 cities over in Hong Kong, Malaysia, Mainland China, Singapore and the UK.

As at 31 March 2021, the Group owned and operated 31 hotels and owned 13 hotels in the development pipeline. These included the wholly-owned Dorsett Group, TWC and the Ritz-Carlton hotel in Perth as well as the partially-owned Sheraton Grand Mirage and Oakwood Premier AMTD. The 31 hotels represent approximately 8,100 rooms in total, spreading over Hong Kong, Mainland China, Singapore, Malaysia, Australia, the UK and Continental Europe. Moreover, the Group also manages 3 other hotels in Malaysia with approximately 830 rooms.

In early 2020, hospitality, including hotels, was one of the first industries affected by the pandemic after travel was forced to a virtual halt, and it may be one of the last to recover. Many challenges remain for the industry in the coming years, including the resurgence of COVID-19, new strains of the coronavirus, and a slow vaccine rollout. Therefore, we anticipate travel to return to pre-COVID-19 level by 2022-2023, depending on the locations.

Despite this being one of the most difficult operating years, we have a highly motivated and dedicated team and associates who show the true meaning of passion and loyalty and help the Group consistently living up to its unique brand proposition by offering excellent service to our guests. Being well prepared to operate in the “new normal” post COVID-19, some of our hotels have already implemented artificial intelligence cleaning and delivery robots in response to the trend of growing demand for hotel hygiene and safety measures.

In the long run, the Group strives to create shareholder value by investing in new hotels through ownership and management and improving our existing assets through the long-term appreciation in capital value, as well as from the increasing operating yield of our hotel properties. Despite delays in constructions due to the pandemic, we continue to make progress with the development of our hotel projects in Hong Kong, Australia and London. The Group’s first Dorsett Hotel in Australia – Dorsett Gold Coast is expected to open at the end of 2021, which will then be followed by Dorsett Perth, Dorsett Melbourne and Dorsett Brisbane as well as three new properties in London and Dorsett Kai Tak which will be the Group’s new flagship hotel in Hong Kong in the next few years. We also target to open Ritz-Carlton Melbourne in early 2022, which will be our second Ritz-Carlton hotels in Australia, in addition to Ritz-Carlton Perth.

The following table summarizes the operating performance of the Group's owned hotels by region for FY2021 and FY2020 in local currency ("LC") and Hong Kong dollars ("HK$").

	Occupancy Rate		Average room rate		Revenue per available room ("RevPAR")		Revenue (million)	
	FY2021	FY2020	FY2021	FY2020	FY2021	FY2020	FY2021	FY2020
Hong Kong (HK$)	75.5%	70.8%	533	578	402	409	469	472
Malaysia (MYR)	37.4%	65.6%	160	197	60	129	44	102
Mainland China (RMB)	43.6%	55.7%	273	389	119	217	97	166
Singapore (SGD) (i)	75.3%	76.0%	138	174	104	133	10	15
United Kingdom (GBP)	12.9%	74.3%	68	129	9	96	3	24
Australia (AUD) (ii)(iii)	39.2%	61.0%	410	354	161	216	20	11
			(HK$)	*(HK$)*	*(HK$)*	*(HK$)*	*(HK$ million)*	*(HK$ million)*
Dorsett Group Total (iv)	54.6%	67.0%	513	607	280	406	860	1,224
TWC Hotel Group	17.4%	58.8%	607	634	106	373	29	121

Notes:

(i) Excludes Oakwood Premier AMTD Singapore which is equity accounted.

(ii) Excludes Sheraton Grand Mirage which is equity accounted.

(iii) FY2020 amounts represent results of Ritz-Carlton Perth for the period from 19 November 2019 to 31 March 2020.

(iv) Excludes TWC Group but includes Ritz-Carlton Perth.

FY2021 was another difficult year for the Group and none of us could have envisaged that the impact of the COVID-19 would be so severe, prolonged and widespread. The global tourism industry has been devastated with a loss of almost US$4.5 trillion, and nearly 62 million jobs lost in 2020, which represents a drop of 18.5% to leave just 272 million employed across the industry globally, according to the World Travel and Tourism Council ("WTTC"). Although we believe that demand for hotels will return once the global economy recovers, we expect that global travel restrictions, quarantine and safety concerns will continue to deter people from travelling in the foreseeable future and that a full recovery will take several years.

In order to mitigate the continuing negative impact of COVID-19, the Group has implemented a widespread range of cost saving and financial management measures, as well as identified new business opportunities (e.g. self or government mandated quarantine guests, government and healthcare worker contracts), safeguarded our associates and given back to the society. As of 31 March 2021, we have looked after over 4,000 healthcare personnel and frontliners as well as over 130,000 quarantine guests in our hotels globally. On the operations side, we enhanced and strengthened our stringent hygiene and safety protocols, with our number one priority being the safety of our guests and associates. The pandemic has only reaffirmed the importance of our core values. Social responsibility has always been and will continue to be deeply integrated in our Group, which also aligns with each one of our associates' own personal values.

Thanks to our global colleagues who have fully embraced our commitment to preventing the spread of COVID-19 in the local community by providing accommodation, preparing meals and other forms of support, the Group's total revenue for the hotel operations and management was approximately HK$889 million for FY2021, representing a 33.9% decrease compared with FY2020. In terms of the operating performance of the Dorsett Group, OCC decreased by 12.4 percentage points to 54.6% and ARR dropped 15.5% to HK$513 per night. As a result, RevPAR experienced a decline of 31.0% to HK$280.

Hong Kong

The situation for the hospitality industry was challenging in our home market Hong Kong, which had already suffered from social unrest and mass protests in 2019 and early 2020. Due to the pandemic, borders have been closed to non-residents since March 2020, leading to a drop of 95% in tourist arrivals of both general visitors and overnight visitors in 2020.

We were the first to proactively support our community by welcoming medical staff and returning Hong Kong residents with quarantine requirements to our hotels as well as working from January 2020 with local charity Harmony House to provide accommodation for families suffering from domestic abuse. And thanks to the joint efforts of our colleagues, all of our Hong Kong hotels' OCC and RevPAR have outperformed our competitor sets in spite of these challenging situations during FY2021.

Dorsett Tsuen Wan, our largest hotel in Hong Kong with 546 rooms, was selected by the Hong Kong government as a holding center for flight arrivals in Hong Kong for 2 months starting from 17 August 2020. Silka Seaview, Silka Tsuen Wan and Dorsett Kwun Tong were selected by the Hong Kong government as close contact quarantine centers in December 2020. While Silka Tsuen Wan and Dorsett Kwun Tung remain as close contact quarantine centers, Silka Seaview and our 5 other hotels in Hong Kong were selected by Hong Kong government as designated hotels to take care of guests with government mandatory quarantine requirements. Cosmo Hotel was under contract to accommodate medical staff during FY2021.

As a result, total revenue for Hong Kong hotel operations were maintained at approximately the same level as FY2020, contributing approximately HK$469 million which accounted for approximately 52.7% of the Group's hotel revenue. OCC in Hong Kong increased 4.7 percentage points to 75.5% and ARR decreased by 7.8% to HK$533 as compared with the same period last year, resulting in a slight decrease of 1.7% in RevPAR to HK$402. In FY2021, 4 out of a total of 9 hotels in Hong Kong, namely, Dorsett Kwun Tong, Dorsett Tsuen Wan, Silka Seaview and Silka Tsuen Wan have experienced a growth in OCC, ARR and RevPAR compared with FY2020.

Malaysia

In Malaysia, all of the Group's hotels were ordered to close under the local government's instruction on 18 March 2020 except Dorsett Grand Labuan which remained open due to its remote location. Since early April 2020, Dorsett Grand Subang reopened to support the local government and to receive quarantine guests. Our other hotels in Malaysia reopened subsequently in late April 2020 except J-Hotel and Silka Johor Bahru which remained closed during FY2021.

Our hotel business started picking up from early June 2020 with the ease of COVID-19 situation and all our Malaysia hotels have outperformed our competitors in terms of OCC, ADR and RevPAR. However, our business was hit again due to the second lockdown by the Malaysia government in December 2020 and hotels were allowed to open with strict standard operating procedures without interstate/inter-district travelers. Most recently, our hotels were impacted by another wave of COVID-19 and the Malaysian government announced the third lockdown in May 2021.

As a result, total revenue from our hotel operations for FY2021 was approximately MYR44 million, which is 56.9% below the levels of the FY2020 with J-Hotel under temporary closure during FY2021. ARR dropped by 18.8% to MYR160 and OCC decreased to 37.4%, resulting in a 53.5% decrease of RevPAR to MYR60.

Mainland China

The Group's hotel business in Mainland China first felt the effect of COVID-19 in late January 2020 and started to show signs of recovery starting in June 2020, in line with the overall hotel market in Mainland China. During FY2021, OCC in our hotels decreased 12.1 percentage points year-on-year and ARR dropped 29.8% to RMB273, resulting in our RevPAR recording a decline of 45.2% year-on-year to RMB119. Total revenue also recording a decline of 41.6% to RMB97 million mainly due to the lack of international travelers.

Dorsett Wuhan which is located in one of the worst-hit cities in the early stage of the pandemic, reopened to the general public on 8 April 2020 after being selected by the government to host over 150 medical staff from other provinces during its closure period from January to April 2020. Further, Dorsett Grand Chengdu contributed its full inventory of 556 rooms to the local government as a quarantine center to take care of returning Chinese residents from December 2020 to March 2021. Our other hotels in Mainland China took their own marketing initiatives to attract domestic business and leisure travelers which has been the largest revenue driver. Despite the general economic uncertainty, the sale of local staycation packages, events/meeting packages and prepaid vouchers has been quite satisfactory.

Singapore

Dorsett Singapore, a 285-room hotel in downtown Singapore, has been selected as one of the government facilities to accommodate quarantine guests, thereby contributing its full room inventory to serve the local community from April to December 2020. In FY2021, total revenue of Dorsett Singapore dropped by approximately 33.3% to SGD10 million, mainly due to the 20.7% decline in ARR. RevPAR also decreased by 21.8% to SGD104 while OCC remained stable at 75.3%. Dorsett Singapore has entered into a new government contract to serve as close contact quarantine center starting from May 2021 until further notice from the Singapore government.

UK

In 2020, the UK witnessed millions of COVID-19 cases, several hundred thousand deaths and significant economic impact due to the COVID-19.

Both hotels in London remained open during most of FY2021, per government regulations to support essential workers including medical staff from the National Health Service, policemen from City of London and guests who were not able to cross the border. With several rounds of outbreaks and lockdowns, we reluctantly closed both hotels in January 2021 in order to balance our cost saving efforts and the welfare of our associates. In FY2021, total revenue decreased significantly by 87.5% to GBP3 million, with a 61.4 percentage points decrease in OCC to 12.9% and a 47.3% decrease in ARR to GBP68. We still managed to achieve gross operating profit breakeven, due to significant efforts to contain costs.

Australia

Since late March 2020, the Western Australian state government has imposed travel restrictions, state and international border shutdowns and quarantine requirements which have affected the hotel and tourism industry significantly. Being the only Ritz-Carlton branded luxury hotel in Australia, the Ritz-Carlton Perth hotel has implemented Marriott's best practice of COVID-19 measures and remained open in line with all Marriott branded hotels in Australia during FY2021.

The interstate borders have reopened subsequently from April 2020 with Phase 3 & 4 Government Relaxation based on the COVID-19 situation recovery. Since then, our hotel has witnessed a rapid growth month over month with leadership position in the local market in both room and food and beverage segments, due to the launch of successful staycations offers and marketing promotions to attract domestic travelers, despite the interstate borders closures continuing to be on and off throughout FY2021. As a result, our hotel recorded a total revenue of AUD20 million, being an increase of 81.8%, with a 15.8% increase of ARR to AUD410, which is offset by a decrease of 21.8 percentage points in OCC to 39.2%, as compared with FY2020.

Europe – TWC Group

In Continental Europe, our hotels in the Czech Republic, Germany and Austria were ordered to close by the local governments in mid-March 2020 and 4 hotels in Germany and Austria resumed business progressively starting in late April 2020 to serve corporate guests and small meeting guests while 1 hotel in the Czech Republic reopened in late June 2020.

During the border closures, 4 hotels in Germany and Austria were on the short list to host health workers and non-COVID-19 patients under government instructions. In August 2020, we started to see some pickup from the domestic markets and all of our hotels in Germany and the Czech Republic were performing better than their same periods last year due to the intra-city travel bubbles and internal cost saving measures. However, Continental Europe was impacted by another wave of COVID-19 from early September 2020 and in order to safeguard our associates and balance our cost saving efforts, we decided to close all 5 hotels in Continental Europe in December 2020 and only reopen to serve essential guests when needed. We reopened all hotels in Continental Europe in May 2021.

As a result, total revenue of TWC Hotel Group dropped by 76.3% to HKD29 million in FY2021, with overall OCC decreased by 41.4 percentage points to 17.4% and ARR decreased by 4.3% to HKD607.

3. Car park operations and facilities management

The Group's car park operations and facilities management business include car park operations operated under the brand "Care Park". The Group's portfolio of car parking bays owned or under management amounted to approximately 114,821 car parking bays as at 31 March 2021. Of the Group's 423 car parks, 36 were self-owned car parks comprising approximately 10,987 car parking bays, with the remaining 103,834 car parking bays in Australia, New Zealand, the UK, Hungary and Malaysia under management contracts entered into with third party car park owners.

In FY2021, our car park operations were disrupted due to the COVID-19 outbreak with many countries closing their borders to inter-state or international travelers and restricted movements of their citizens with a view to containing the pandemic. Some of the Group's self-owned/managed car parks located around airports, hotels, shopping malls and office buildings were severely affected due to the lockdown measures and restrictions imposed. The Group has been actively reviewing all lease commitments and reducing rental obligations on unprofitable contracts and impacted leases and took various cost control measures across all business locations such as standing down of workforces and reducing employee overheads to mitigate the negative impacts of the COVID-19.

Apart from the above cost control measures, the Australian government has passed a code that entitles tenants (i.e. such as Care Park) to negotiate with each landlord to adjust down the lease payments proportionally to the decline in revenue as a result of the COVID-19. The Group is also expected to benefit from government compensation programmes such as in Australia, where the government has offered a wage subsidy to eligible employers. The aforesaid cost control initiatives and government support has helped to minimize the pressure on the Group's cash flow.

Whilst the Group's car park operations were heavily impacted, COVID-19 has created a number of opportunities for growth. Many public entities (e.g. cities, airports, schools, hospitals) are now under cash pressure and are seeking opportunities to enter into long-term concessions with car park operators such as Care Park. The Group is actively reviewing growth opportunities in all the cities where it operates but primarily in Australia and the UK.

4. Gaming operations and management

Europe

TWC owns and operates a portfolio of 3 casinos in the Czech Republic. All the casinos of TWC feature gaming tables and slot machines and are situated on the Czech borders with Germany and Austria catering to cross-border guests from these countries. With the Group's implementation of the "Asian Wallet" strategy, the Group will continue to endeavor to introduce more Asian customers living in the region to TWC's properties to supplement the Group's hospitality offerings geographically.

Revenue from TWC's gaming operations in FY2021 was HK$88 million (net of gaming tax), decreasing significantly by 67.6% from HK$271 million in FY2020, mainly due to the temporary closure of casinos ordered by the local government to contain the spread of the COVID-19 since March 2020. The operations of 3 casinos were either completely closed or allowed only to operate with restrictions such as social distancing and limited opening hours. However, in response to this situation, TWC realized significant cost saving initiatives such as staff reduction and various contract renegotiations and cancellations. Coupled with the state support programs from the local governments in all three countries where TWC operates, the performance of TWC in FY2021 delivered a positive EBITDA level. Following the reopening in May 2021, the business experienced a sharp rebound and the Group believes the casinos will continue to generate positive results.

The following tables set forth certain operating data of TWC's casinos for the period ended 31 March 2021:

	As at 31 March 2021	**As at 31 March 2020**
Number of slot machines	442	543
Number of tables	65	59

	FY2021	**FY2020**
Table game revenue[(i)] *(HK$ million)*	21	58
Slots revenue[(i)] *(HK$ million)*	55	140
Average table game win rate[(ii)]	20.1%	20%
Average slot win per machine per day *(HK$)*	1,063	1,087

Notes:

(i) Net of gaming tax.

(ii) 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 cash and non-negotiable chips deposited on the gaming table.

Australia

In March 2018, the Group entered into a strategic alliance agreement with The Star and Chow Tai Fook Group ("CTF") and took a 4.99% equity stake in The Star, one of the two major casino operators in Australia which has a dominant position in Sydney, the Gold Coast and Brisbane.

Strategic benefits to the Group from this investment and the strategic alliance agreement are:

(i) strengthening the Group's relationship with The Star;

(ii) forging a partnership with The Star for potential mixed-use property projects, and adding to the Group's development pipeline in Australia;

(iii) allowing the Group to increase its exposure to the QWB project and benefit from The Star's future growth; and

(iv) benefiting from cross-selling through future co-operation with The Star which is synergistic to the gaming platform of the Group.

The Group owns 25% of the integrated resort under construction in Brisbane. Together with The Star and CTF, the Group is building three world-class hotels, high-end gaming facilities with VIP rooms, F&B outlets and more than 6,000 sq.m. of retail and eatery space that will be operated by DFS Group, a leading operator of retail space globally.

During FY2021, with regards to the announcement made by The Star concerning the suspension of the final dividend payout, the Group received nil dividend from The Star shares.

5. Provision of mortgage services

As an extension of our property development business, the Group established a mortgage lending platform under BCG which specializes in the provision of residential mortgages to non-resident buyers of international properties. BCG is highly synergistic to the Group's property development business and offers significant growth potential beyond the existing property development business of the Group. Indeed, less than 4% of the loans extended to non-resident buyers were used to purchase residential properties of the Group.

Loan and advances reached AUD1.2 billion as at 31 March 2021, an increase of about 19.4% from 31 March 2020. BCG has strict lending rules, a very diversified portfolio and a prudent loan-to-value ratio of 59.6% on average as at 31 March 2021. Net interest margin expanded to 2.32% as at 31 March 2021 (compared with 2.07% as at 31 March 2020). BCG has continued to broaden its source of financing and is in active discussion with institutional investors and international banks to secure additional funding. Whilst most of the capital is provided by third-parties, the Group has committed AUD75 million and GBP14 million of funding and provided AUD39 million and GBP14 million of funding as at 31 March 2021 which is classified as investment securities.

In FY2021, BCG extended its mortgage lending platform to the UK where it sees the strong potential and explosive growth in the demand for residential mortgages from non-residents. Following the extension of its footprint to the UK, BCG is exploring building on asset management business to grow and diversify its business model further, along with the vision to extend the lending business not only to residential properties but to other asset classes.

BCG is reviewing a number of new and promising markets where it can expand its service offerings. It is also reviewing a number of potential acquisitions to increase its products and services and bulk-up in size. The Group remains committed to growing the BCG business and expects contribution from the business to increase over time.

CONTINGENT LIABILITY

During the year, legal proceedings, which were issued in the High Court of Justice in London, were served upon Ensign House (FEC) Limited ("EHFL") and FEC Development Management Limited. The proceedings were instigated by Ensign House Limited ("EHL"). The claim which is made by EHL is stated as a claim for "damages and/or equitable compensation and/or an account of profits and/or a constructive trust and/or interest under statute and/or in equity and/or other relief". The essence of the claim is that each of the defendants was involved in a breach of contract and/or breaches of other duties by using confidential information provided by or on behalf of EHL in connection with the acquisition by EHFL of the property known as Ensign House, Admiral's Way, Canary Wharf. At this juncture, the management is of the opinion, upon advised by the legal counsel, that the claim is not valid as there is no breach of contract and therefore these allegations of wrongdoing will be rigorously denied and the proceedings are being fully contested.

OUTLOOK

The global economic uncertainties arising from the outbreak of COVID-19 are expected to remain and put pressure on the Group's operations across the regions it operates. In FY2021, the Group took the following measures to recalibrate its operations to ensure long-term sustainability:

- Adjusted the level of its workforce, in particular in the hospitality segment which was affected most due to a reduction of tourist and business travel;

- Reviewed all of its overheads with a view of reducing administrative costs;

- Repositioned all assets where possible, monetised assets if attractive offers were made; and

- Delayed certain capital expenditure to preserve cash and maintain liquidity.

The Group remains alert to the global economic uncertainty and will take further mitigation measures where necessary. The Group will also take a cautious approach but will seek investment opportunities to grow its operations and leverage its diversified portfolio of businesses to take advantage of a rebound in business activity during the recovery phase. In particular, the Group is focused on replenishing its land bank and growing its car park and mortgage lending business. At the same time, the Group will continue to explore opportunities to monetize assets in its portfolio. Over the years, the Group has developed many assets that have grown in value and which could be sold to crystalize gains, with the capital redeployed in projects delivering higher returns on capital.

As at 31 March 2021, the cumulative presales value of the Group was approximately HK$13.8 billion and the current development pipeline and completed development was approximately HK$55.6 billion which provides clear visibility of the Group's future revenues. The Group will selectively add to its development pipeline by allocating resources to regions where the Group sees long-term growth prospects and where the region's property cycle offers higher risk-adjusted returns to the Group.

During FY2021, the Group has successfully repositioned certain of its hotel assets to long stay guests, healthcare staff and launched relevant accommodation packages to target the returnees required to undergo self-quarantine. Thanks to the abovementioned strategies, the Group's hotels managed to be profitable in FY2021. Looking ahead, with the implementation of travel bubbles with neighboring countries and the relaxation of social distancing measures, it is expected that the market sentiment of the Hong Kong hotel industry will be on the road to recovering further. In addition, the hotel industry in Mainland China is showing an encouraging pick-up with domestic inter-provincial travel growing after being hard-hit in early 2020.

The Group's hotel business continues to expand with 13 new hotels under development and with the opening of the Ritz-Carlton in Melbourne and the extension of Dorsett Shepherds Bush hotel in 2H FY2022 marking the next growth phase of the Group. In the meantime, the Group remains cautiously optimistic about the long-term future and is well prepared for the rebound in leisure and business travel as soon as the restrictions imposed across the globe start to ease.

The development of the integrated resort in QWB will be another landmark achievement of the Group with a giant retailer – DFS Group – signed up and announced to anchor its T Galleria Emporium in the luxury retail shopping precinct in line with the staged opening of QWB from late 2022.

BCG continues to grow strongly in Australia and have recently in the UK. BCG has the capital needed to take advantage of organic growth opportunities as well as acquisitions. We expect the next few years to deliver strong growth to the business.

The Group maintains a solid and healthy liquidity position of approximately HK$8.6 billion with available undrawn credit facilities of HK$5.2 billion and a number of unencumbered hotel assets with the value of HK$3.8 billion as at 31 March 2021. The Group continues to manage its financial position in a prudent and disciplined manner, whilst ensuring that its capital is employed productively.

In conclusion, thanks to our diversified portfolio and solid foundation, the Group has managed to remain profitable and is confident to be able to navigate successfully the current global economic headwinds and to deliver a sustainable and attractive return to all its stakeholders.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2021, the Group had approximately 3,500 employees. The Group provides its employees with comprehensive benefit packages and career development opportunities, including medical benefits, both internal and external training appropriate for various level of staff roles and functions.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

Throughout FY2021, the Company has complied with the code provisions (the "Code Provisions") set out in the Corporate Governance Code (the "CG Code") contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), except for the deviations from Code Provisions A.2.1 and E.1.2 described below.

Pursuant to Code Provision A.2.1 of the CG Code, the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual. Currently Tan Sri Dato' David CHIU assumes the roles of both the Chairman and Chief Executive Officer of the Company. The Board believes that this structure provides the Group with strong and consistent leadership and allows for more effective and efficient business planning and decisions as well as execution of long term business strategies. As such, it is beneficial to the business prospects of the Group.

Pursuant to Code Provision E.1.2 of the CG Code, the Chairman should attend the annual general meeting of the Company. Due to unavoidable business engagement, the Chairman was unable to attend the annual general meeting of the Company held on 15 September 2020. The Chairman had arranged for other directors and management, who are well-versed in the Company's business and affairs, to attend the meeting and communicate with the Shareholders.

AUDIT COMMITTEE

The Audit Committee, comprising all of the Company's three independent non-executive directors, namely Mr. Kwok Wai CHAN, Mr. Kwong Siu LAM and Mr. Lai Him Abraham SHEK, has reviewed the accounting principles, standard and practices adopted by the Company, and discussed matters relating to auditing, risk management and internal control and financial reporting, including the review of the audited consolidated results of the Group for FY2021.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for FY2021 as set out in the preliminary announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During FY2021, the Company, through its wholly-owned subsidiary, Singford Holdings Limited, repurchased a total of its 11,350,000 shares on the Stock Exchange for a total consideration of approximately HK$30 million. Details are set-out below:

Month of repurchase	**Number of shares repurchased**	**Price per share**		**Aggregate consideration paid**
		Highest	**Lowest**	
		HK$	*HK$*	*HK$*
April 2020	4,712,000	2.82	2.49	12,397,230
May 2020	6,638,000	2.75	2.49	17,471,820

During FY2021, the Company, through its wholly-owned subsidiary, repurchased on the Stock Exchange and/or subsequently cancelled/sold (i) 3.75 per cent. notes due 2021 in aggregate principal amount of US$63,370,000; (ii) 4.5 per cent. notes due 2023 in aggregate principal amount of US$8,225,000; and (iii) senior guaranteed perpetual capital notes in aggregate principal amount of US$17,000,000.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during FY2021.

The purchases were made for the benefit of the Shareholders with a view to enhancing the net asset value and earnings per share of the Group.

PUBLICATION OF THE RESULTS AND ANNUAL REPORT

This results announcement is published on the website of the Stock Exchange at www.hkexnews.hk and on the website of the Company at www.fecil.com.hk. The Annual Report of the Company for FY2021 and the notice of 2021 AGM will be despatched to the Shareholders and published on the websites of the Stock Exchange and the Company in due course.

By order of the Board of
Far East Consortium International Limited
Wai Hung Boswell CHEUNG
Company Secretary

Hong Kong, 24 June 2021

As at the date of this announcement, the Board comprises five executive directors, namely Tan Sri Dato' David CHIU, Mr. Cheong Thard HOONG, Mr. Dennis CHIU, Mr. Craig Grenfell WILLIAMS and Ms. Wing Kwan Winnie CHIU; and three independent non-executive directors, namely Mr. Kwok Wai CHAN, Mr. Kwong Siu LAM and Mr. Lai Him Abraham SHEK.