

WHEELOCK

PROPERTIES

會德豐地產

Approaching Our Centenary



Founded in 1923 as Hongkong Realty & Trust, Wheelock Properties has weathered calms & crisis in Hong Kong, our home city & headquarters. It all began as a boutique design & architectural firm, envisioning & crafting the city's iconic structures that have withstood the test of time. Over the ensuing decades, the Company has continued to focus on product & quality, crafting bespoke & enduring spaces for living.

As we approach our Centenary, Wheelock Properties is among Hong Kong's foremost privately-owned property businesses and well positioned for the future.

In the Heart of Commerce

Wheelock House is located at the heart of commerce since Hong Kong's founding:

- ❖ Home to Supreme Court, Treasury Department & General Post Office (1840 – 1900s)
- ❖ Pedder Wharf (1841-1890), the first official wharf in Hong Kong

Pedder Street in 1870



Wheelock House today



Wheelock Properties Limited
2020 Annual Results

*Prudence in a
Global Crisis*



Core DP Business Demonstrates Sturdy Resilience in an Unprecedented Year

- *Among top 4 developers in property sales for at least 5 consecutive years*
- *FY2020 + YTD Property Sales: \$26.9bn; MONACO & GRANDE MONACO received favorable response (sell-through rate 86%)*
- *Net order book remained solid at \$30.8 billion as at the end of Jan 2021*
- *Prudent financial mgmt: No external debt expiring for the next 16 mths; cost of debt: 2.6%*

STURDY HKDP SALES despite prevailing conditions

\$26.9b

\$16.5b FY2020 + \$10.4b YTD sales
(driven by MONACO &
GRANDE MONACO)

URBAN-FOCUSED LAND BANK

7.0Msf

adequate level to sustain
future pipeline

STRONG FINANCIAL POSITION

2.6%[^]

cost of debt

SOLID NET ORDER BOOK

\$30.8b

(as at Jan 2021)
stood at healthy level

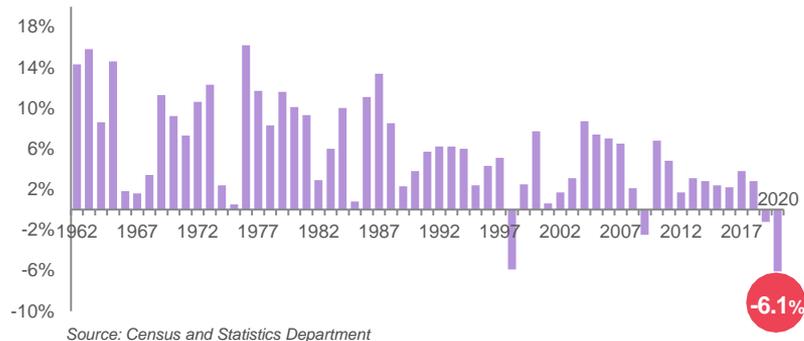
[^] Inclusive of on-lending portion derived based on annualized post restructuring finance cost

- WPL, as a standalone reporting entity, would be the strategic focus going forward.
- WPL's holding entity, Wheelock and Company's listing status was voluntarily withdrawn from the HKSE on 27 July 2020.
- While the Company no longer needs to fulfill the listing requirements set out by the HKSE, the Company will continue to work towards the highest standards of corporate governance and financial disclosures required for listed companies.
- WPL will position itself as a standalone credit entity, reflecting the development needs and capital structure.
- The Company will continue to adhere to its prudent financial management strategy and entrusted banking relationship.

2020 – a Year Dominated by Pandemic Crisis

HK's most challenging period on record

HK real GDP growth



Primary + Secondary sales & home prices stayed flat

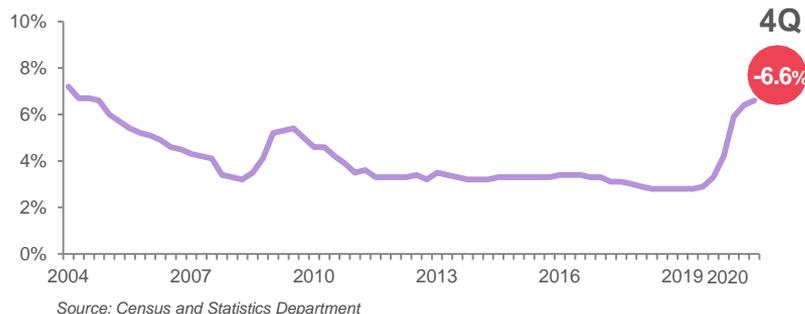
HK Primary + Secondary Sales (\$b)

HK residential price index



Unemployment hit 16-year high

HK unemployment rate (seasonally adj)



COVID & geo-political concerns persisted

Response benchmarked to medical grade standards and implement WHO & local authorities guidelines

Health & Safety

- Adopt **home office and split teams**; staggered working hours
- Adopt **comprehensive reporting procedures** at construction sites
- **AI robots for 24-hr cleaning & disinfection** at managed properties

Business Continuity

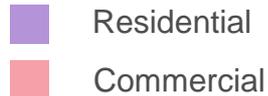
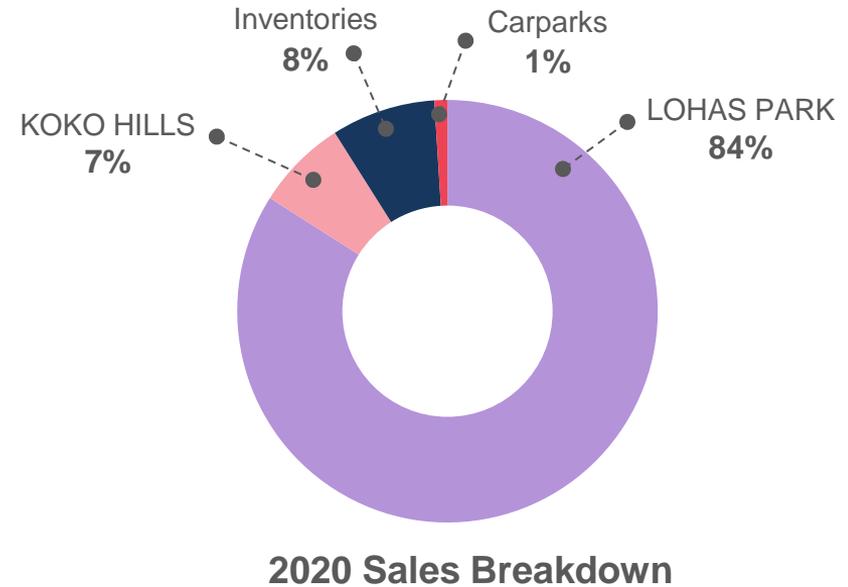
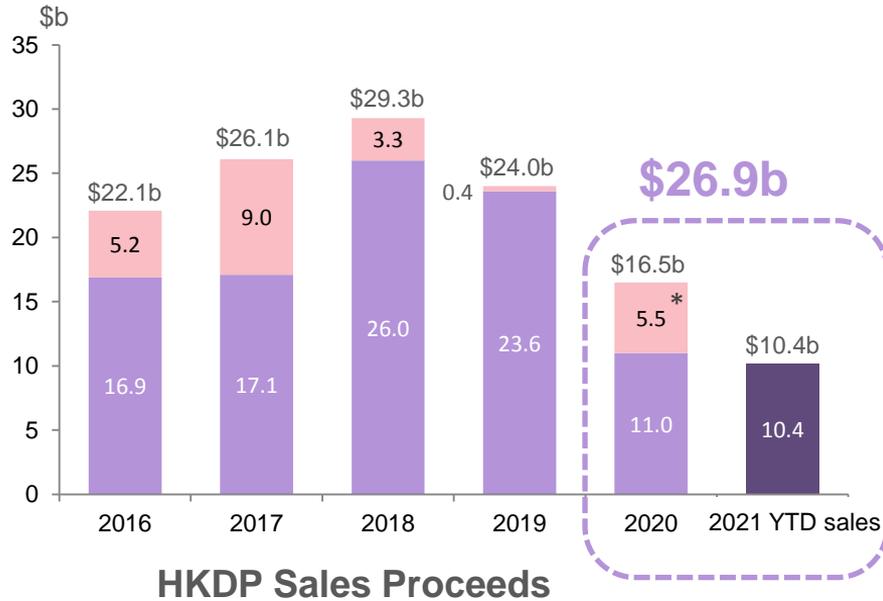
- Activate **business continuity plans**
- **Continuous dialogue at all levels** via virtual meetings, calls and written communications
- Construction progress largely unaffected

Community

- Donated **PPE to over 20 organisations**
- **Project WeCan partners donated over 92,000 essential supplies** to 76 *WeCan* schools

FY20 + YTD DP Sales Totaled \$26.9b

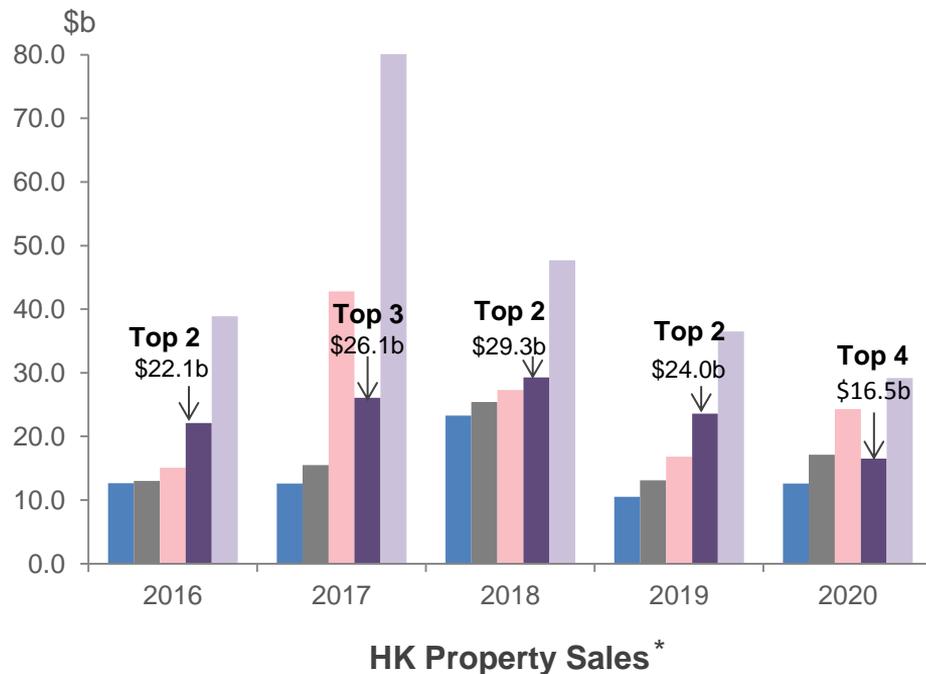
- Delays in government approvals on pre-sale consents distorted 2020 sales results
- 2021 YTD property sales amounted to \$10.4b : driven by MONACO series (58%); 77/79 PEAK ROAD (29%)



* incl. \$5.0 property sales from "The LOHAS" mall transaction

Among Top 4 in Property Sales (2016-2020)

WPL remained among Top 4 developers in property sales for at least 5 consecutive years



- Underlining buyers' confidence in Wheelock's brand; and
- Prime location of projects



* on an attributable basis

New Launches Received Continued Interest

Project	1st Launch	Units Presold	Sales	1 st batch over-subscription	Sell-thru on launched units (up to Mar 21)
	Mar 2020	495	\$5.2b	17.3x	98%
	Jul 2020	99	\$1.2b	7.7x	54%
	Jan 2021	344	\$4.1b	25x	93%
	Feb 2021	128	\$1.9b	8.5x	70%
	Jan 2021	5	\$3.0b	na	100%

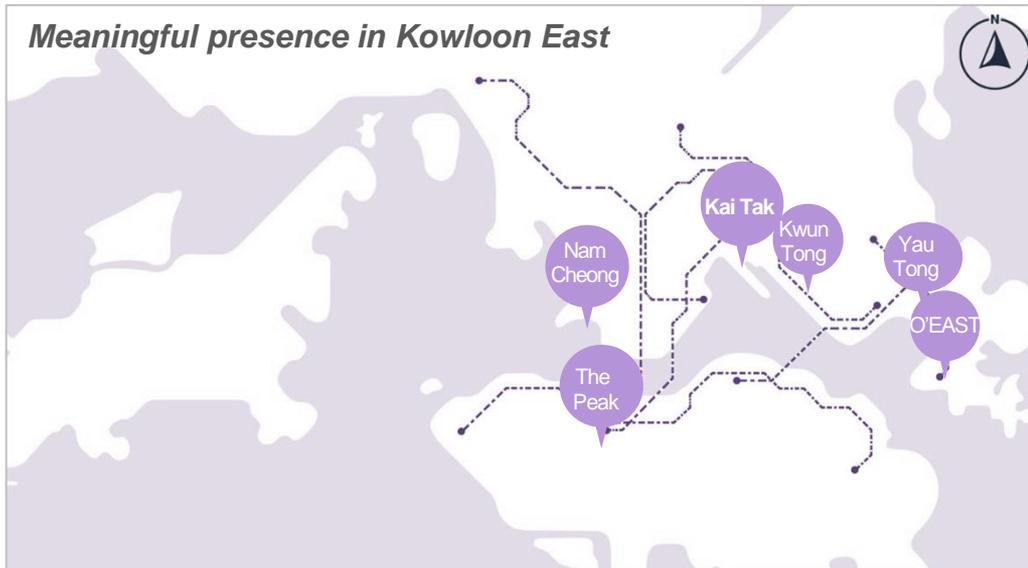
7.0Msf

Urban Land Bank

Diversified portfolio:

- Waterfront
- Close to MTR
- Suburban houses
- Exceptional Peak collection

Meaningful presence in Kowloon East



3 acquisitions 2020-to-date

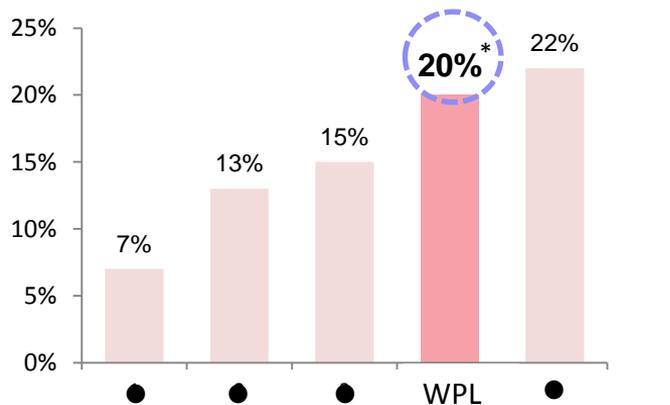
Lohas Park Package 12

Mansfield Road RBL1211

Mansfield Road RBL1212 (JV)

Competitive Land Bank & Inventory Turnover vs Peers

Top 2: 3-Yr Average Land Bank Turnover[^] (2018-2020)

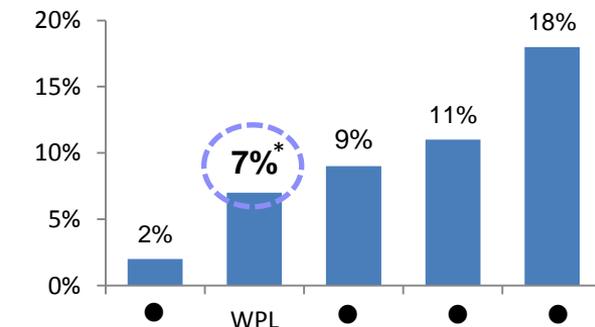


[^] land bank turnover = disposal/opening balance

* including WHL HKDP projects managed by WPL

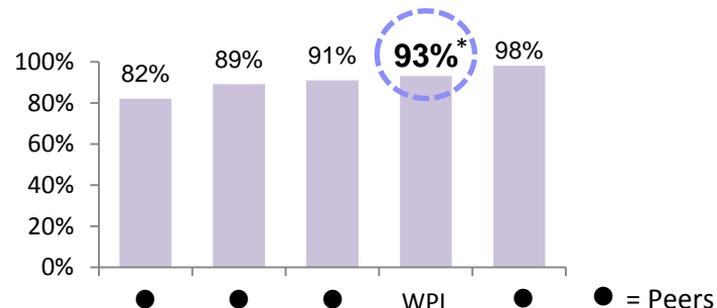
● = Peers

Top 2: Among the lowest in inventory level^{**}



** inventory defined as launched but unsold units (as at 31 Dec 2020)

Top 2: High sell-through for 2017-2020



* including WHL HKDP projects managed by WPL (1 Jan 2017 – 31 Dec 2020)

● = Peers

Meaningful presence in Kai Tak

7

Projects

(excl. the completed Oasis Kai Tak)

2.2Msf

Attributable GFA

Project	Year acquired	Attributable GFA (sf)	Aspect	Status
MONACO	2018	0.43M	City Centre	Under development
NKIL6574	2018	0.17M	Runway	Under development
NKIL6563	2019	0.55M	City Centre	Under development
NKIL6576	2019	0.22M	Runway	Under development
NKIL6552	2019	0.12M	Runway	Under development
NKIL6577	2019	0.41M	Runway	Under development
NKIL6554	2019	0.34M	Runway	Under development
Oasis Kai Tak	2014	0.40M	City Centre	Completed in 2019
Total GFA		2.6M	<i>(incl. the completed Oasis Kai Tak)</i>	



Launched in 2017
Cumulative sales: \$8.0b
ASP: \$24,700 (up to Mar 21)



Lifestyle

- Kai Tak park & multi-purpose sports stadium
- Underground shopping streets, hotels, hospitals and schools

Convenience

- Shatin-to-Central link, Central KIn Route
- Seamlessly connected to HK core districts; 15 mins to Central
- A 5-min drive to High Speed Rail Terminus in West KIn
- New potential connectivity enhancement for the former runway

Business

- Within heart of CBD2
- 5x commercial size of Kowloon Station
- Grade A office cluster

MONACO & GRANDE MONACO Achieved \$6.0b YTD

2021 1st launch: MONACO

Encouraging response despite prevailing conditions



- First project launch in 2021
- **\$4.1b** sales up to Mar 2021
- Sell-thru: **93%**
- ASP: ~\$24,700 (up to Mar 21)

MONACO & GRANDE MONACO 86% Combined Sell-through

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GRANDE MONACO

- Launched in late Feb 2021
- **\$1.9b** sales up to Mar 2021
- Sell-thru: **70%**
- ASP: ~\$25,500 (up to Mar 21)



Exclusive Peak Collection – 77/79 PEAK ROAD Achieved \$3b YTD

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77/79
PEAK ROAD

- Launched in Jan 2021
- **5 houses** sold for **\$3.0b** (up to Mar 2021)
- ASP: ~\$88,000 (up to Mar 21)

2020 Financial Summary

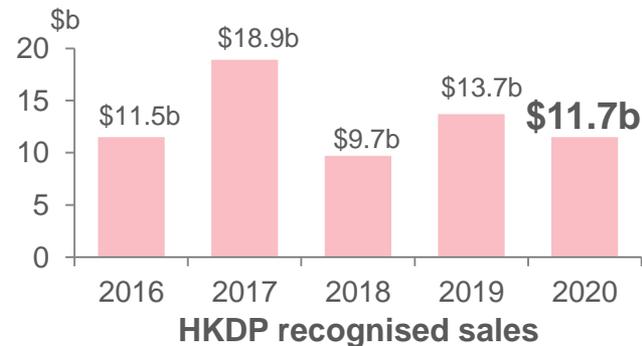
<i>HK\$m</i>	2020	2019	Change (%)
Group Revenue (\$m)	12,243	13,907	↓ 12%
Group Operating Profit (\$m)	4,900	5,596	↓ 12%
Margin (%)	40.0%	40.0%	-
Net Profit (\$m)	4,069	3,451	↑ 18%
<i>HK\$m</i>	@31.12.20	@31.12.19	Change (%)
Total Equity (\$m)	35,768	39,436	↓ 9%
Cash & Bank Balances (\$m)	88	50	↑ 76%
Net Debt (\$m)	15,946*	10,035	↓ 59%
Gearing Ratio (%)	44.6%*	25.4%	↑ 19.2pp

* inclusive of shareholder's loan. Excluding shareholder's loan, gearing ratio will be 26.5%

Solid WPL Net Order Book: **\$30.8b** (as at Jan 2021)



Healthy Recognised Sales & Margin

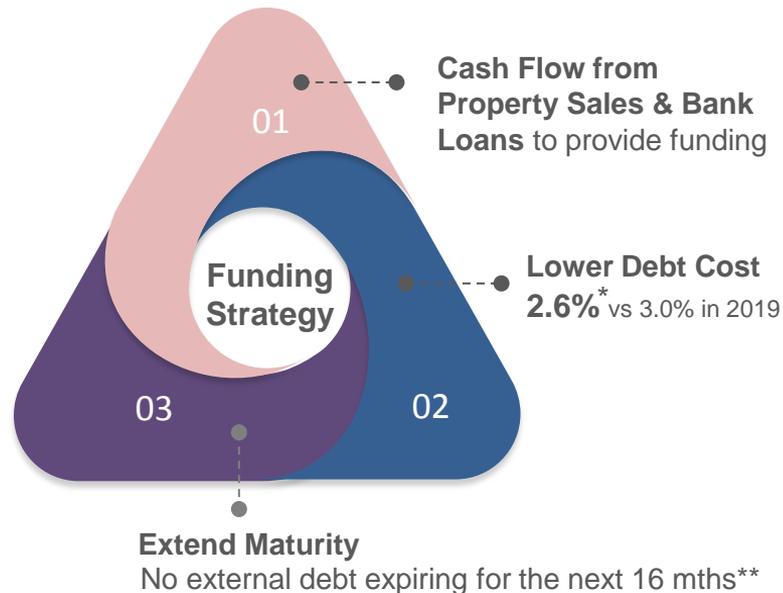


- No** External debt expiring for the next 16 mths**
- 2.6%** Cost of Debt
- 11.8x*** Interest Coverage
- \$7.3b** Liquidity (incl. \$7.2b undrawn loan facility)
- 44.6%** Gearing Ratio (Inclusive of shareholder's loan)
Excluding shareholder's loan the gearing ratio will be 26.5%

Track record of loan repayment 12 mths in advance



*Disciplined financial management
to ensure sustainability*



*Inclusive of on-lending portion derived based on annualized post restructuring finance cost

** from Jan 2021

2021 Project Pipeline

Kai Tak



MONACO
GRANDE MONACO



Sales commenced

The Peak



77/79 PEAK ROAD



Sales commenced

Nam Cheong



GRAND VICTORIA
Phase 1



Sales commenced

Lam Tin



KOKO HILLS
Phase 2



To be launched

Presale timing subject to approvals and market conditions

Challenging Market Conditions

Deeply uncertain environment to cloud outlook:

- Geo-political issues (PRC/US/Brexit)
- Global pandemic crisis
- To restore normality, the world is seeking to strike the right balance among:
 - Vaccination
 - Public behavioral change; and
 - Loopholes in the implementation of anti-pandemic measures

Prudence

Financially prudent to capture business opportunities & navigate challenges :

- Disciplined financial management continues
- Preserve ample liquidity
- Focus on core competence
- Selective land acquisition approach remains

1st developer awarded for both private residential & commercial development projects



8 Bay East / NEO

Among 1st 4 commercial bldgs with dual Platinum



MALIBU

1st private residential project in HK to achieve BEAM Final Platinum*

↓ **+40%**

HQ energy intensity vs 2015 baseline

Hang Seng Corporate Sustainability Index

2020/21 assessment

upgraded from “A+” to “AA”



2020 ESG risk rating

4th/105 diversified real estate companies



Project WeCan
「學校起動」計劃

Job tasting program

Anchor partner for 8th consecutive year

English WeCan

480 students joined online learning program

* Under BEAM Plus New Buildings (V1.2)

4 QUALITY EDUCATION



Project *WeCan*,
benefitting over
75,000 students
from 76 schools

Stay connected
with employees via
technologies to
work remotely

11 SUSTAINABLE CITIES AND COMMUNITIES



- 100% construction floor area certified as green buildings
- Raised HK 1st sustainability-linked loan

8 DECENT WORK AND ECONOMIC GROWTH



- Donated PPE to 20+ organisations
- Intend to provide ~2,000 transitional housing units

13 CLIMATE ACTION



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