



Tai Koo Li Sanlitun

2020 FINAL RESULTS | ANALYST BRIEFING

11TH MARCH 2021

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AGENDA

1. Results Highlights
2. Investment Portfolio
3. Trading Portfolio
4. Hotel Portfolio
5. Financial Highlights
6. Sustainable Development
7. Prospects
8. Q&A

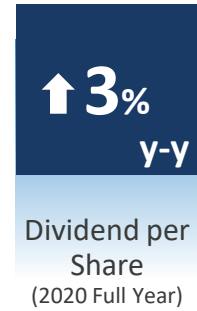
Guy Bradley,
Chief Executive

Fanny Lung,
Finance Director

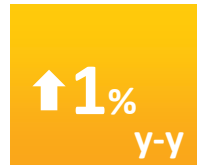


2020 FINAL RESULTS HIGHLIGHTS

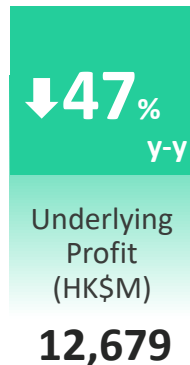
STRONG FUNDAMENTALS DELIVERING INCREASED DIVIDENDS



HK\$ **0.91**



HK\$ **49.36**
per share



- Robust capital recycling strategy - disposal of non-core assets in Hong Kong and Miami.
- New investments - office-led extension of INDIGO, Beijing and two projects in Vietnam, marking our entry into a new residential market.
- Chinese mainland portfolio rebounding strongly; retail sales up 29% y-y in 2H 2020.
- Resilient office portfolio in Hong Kong underpinned by Taikoo Place.
- Increased dividends despite lower underlying profit.

CAPITAL RECYCLING FUELING FUTURE GROWTH

Major Disposals



~0.6 M sq ft GFA

CITYPLAZA ONE

Sale of office tower completed.

Dec 2020



~0.3 M sq ft GFA

TWO AND THREE BRICKELL CITY CENTRE

Sale of office towers completed.

Jul 2020

5 GFA based on 100% basis.

New Project Updates



~4.1 M sq ft GFA

PHASE TWO EXTENSION OF INDIGO

A 35% interest in an office-led mixed-use extension announced.

Dec 2020



~1.2 M sq ft GFA

TAIKOO LI QIANTAN

Construction completed.

Dec 2020



The River - 525 units

TWO PROJECTS in VIETNAM

A minority investment in a residential-led mixed-use project.

Mar 2021

The River - A 20% interest in a luxury residential property acquired.

Sep 2020



37 units

EIGHT STAR STREET

First batch of units offered for sale by tender.

Jan 2021

TAIKOO LI QIANTAN, SHANGHAI

VERY POSITIVE LEASING RESPONSE

- ❑ **>70%** of space committed.
- ❑ **~1.2 M** sq ft GFA; 50% owned.
- ❑ Construction completed; soft opening in 2H 2021.
- ❑ 'Double parks, double open lanes' concept.
- ❑ Over **200** shops, spanning high-end retail, trendy fashion, dining and entertainment, lifestyle and health, and arts and culture.

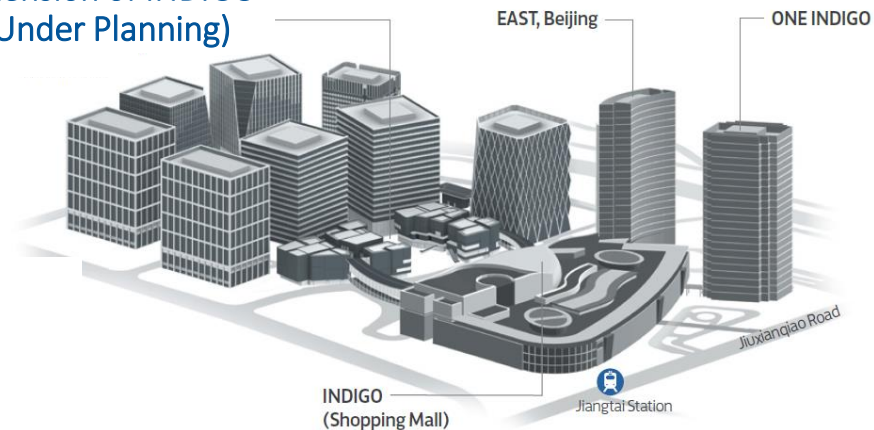


EXTENSION OF INDIGO, BEIJING

REINFORCING INVESTMENT IN CHAOYANG DISTRICT; CONFIDENCE IN CHINESE MAINLAND MARKET

- ❑ ~**4.1 M** sq ft GFA, over 2x current INDIGO.
- ❑ Expected total investment of **RMB 23 bn.**
- ❑ A 35% interest in the office-led mixed-use extension comprising a shopping mall, office towers and a hotel.
- ❑ Development scheme under planning.
- ❑ Expected completion from late 2025.

Extension of INDIGO (Under Planning)



EXCITING PROJECT PIPELINE

IN A STRONG FINANCIAL POSITION; READY TO DO MORE

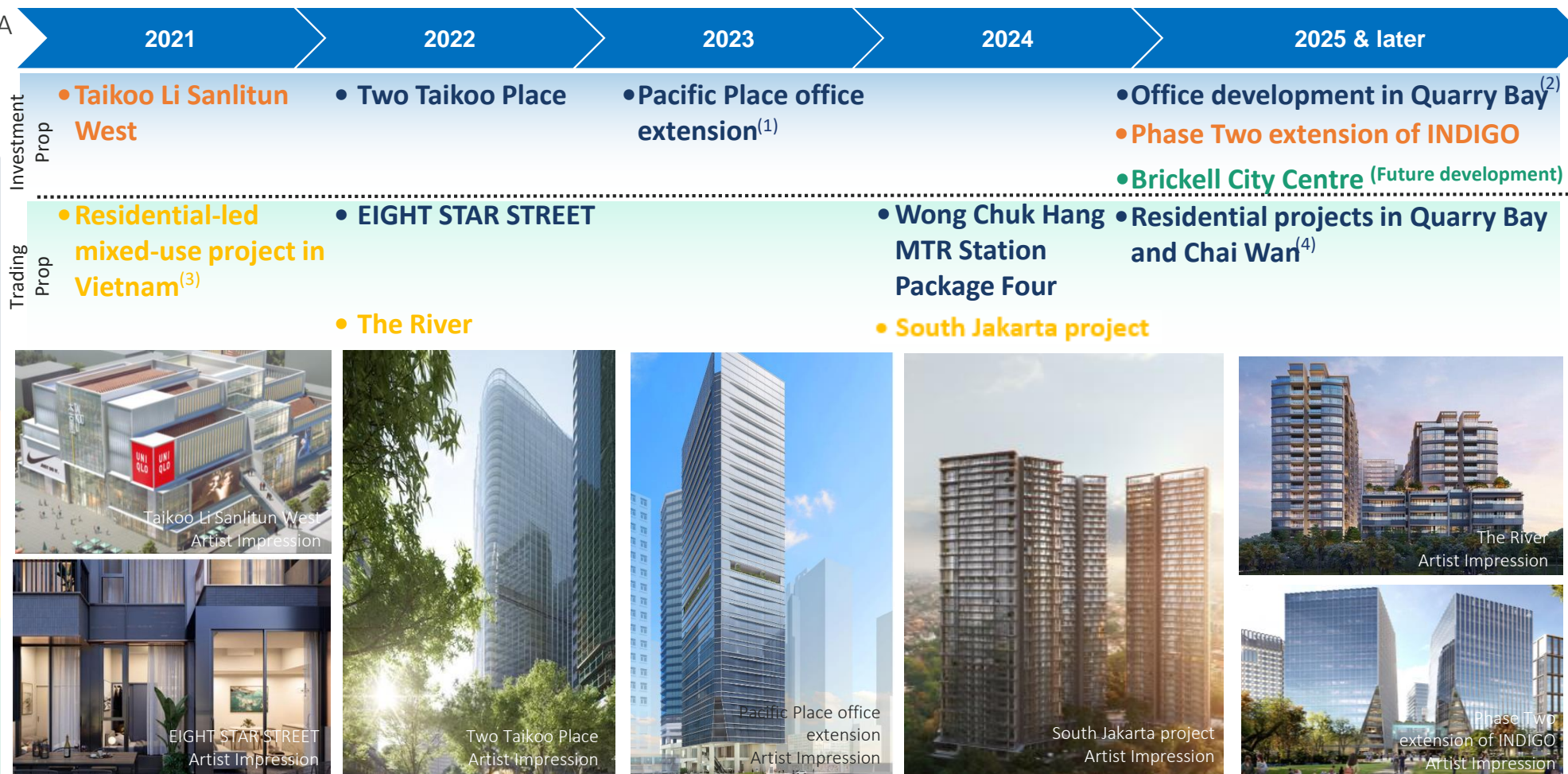
Expected Attri. GFA
of Upcoming
Projects ⁽⁵⁾
7.3 M sq ft

Hong Kong
2.9

Chinese
mainland
1.7

Southeast Asia
0.7

U.S.A.
2.0



(1) Representing 46-56 Queen's Road East.

(2) Representing Wah Ha Factory Building and Zung Fu Industrial Building (subject to the Company having successfully bid in the compulsory sale).

(3) In March 2021, the Company made a minority investment in the development which is expected to be completed in phases over 2021-2026.

(4) Including (i) 983-987A King's Road and 16-94 Pan Hoi Street, Quarry Bay (subject to the JV having successfully bid in the compulsory sale and applicable town planning controls) and (ii) Chai Wan Inland Lot No. 88 (subject to agreement on land premium with the Hong Kong government).

(5) As at 31st December 2020.

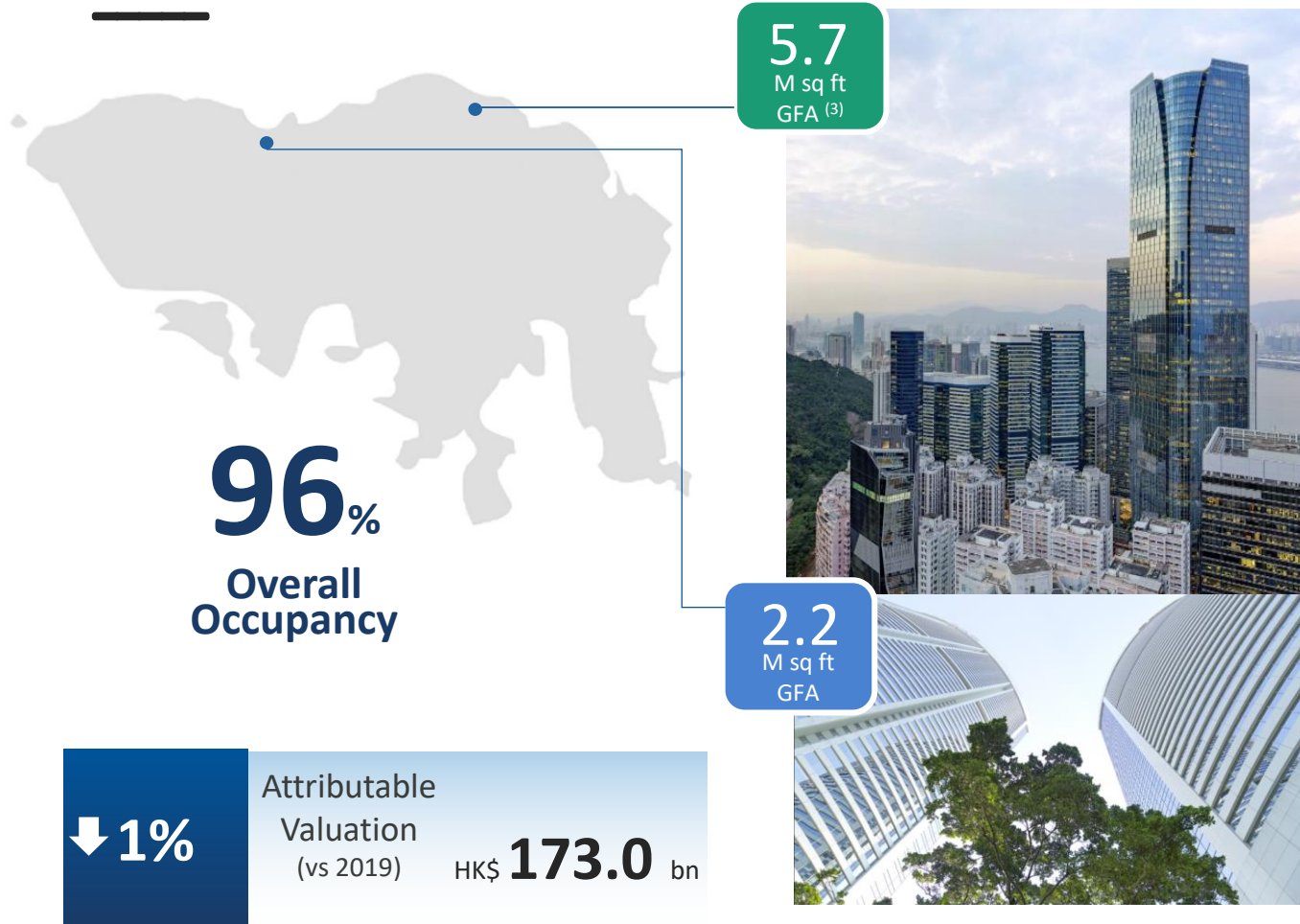
(6) Expected years of completion are shown above.



INVESTMENT PORTFOLIO

HONG KONG OFFICE

SOLID PERFORMANCE UNDERPINNED BY TAIKOO PLACE



One Island East & One Taikoo Place

Occupancy ⁽¹⁾	100%
Rental Reversion ⁽²⁾	+11%
Latest Rentals (HK\$ psf)	mid 50s to low 70s

Taikoo Place Office Towers

Occupancy ⁽¹⁾	98%
Rental Reversion ⁽²⁾	+12%
Latest Rentals (HK\$ psf)	mid 40s to mid 50s

Pacific Place

Occupancy ⁽¹⁾	95%
Rental Reversion ⁽²⁾	+2%
Latest Rentals (HK\$ psf)	One/Two PP : 110 – 125 Three PP : 100

HONG KONG RETAIL

HIGH OCCUPANCY MAINTAINED

0.7

M sq ft
GFA



The Mall, Pacific Place

- Saint Laurent and Shiro became tenants.
- Celine and Dior took more space.

Occupancy	96%
Retail Sales	-31.2%

1.1

M sq ft
GFA



Cityplaza

- Introduced more than 20 retail and F&B brands, e.g. Brooks Brothers, COS, Global Timepieces, Theory, &btR, Banchan & Cook, Chun Shui Tang, Cova Pasticceria & Confetteria and Tasty Congee & Noodle Wantun Shop.

Occupancy	100%
Retail Sales	-17.6%

0.8

M sq ft
GFA



Citygate Outlets

- Launched Club CG membership programme in 2020.
- Welcomed 25 new tenants and shop expansions, e.g. American Eagle, FILA FUSION and Marc Jacobs.

Occupancy	99%
Retail Sales	-16.1%

↓4%

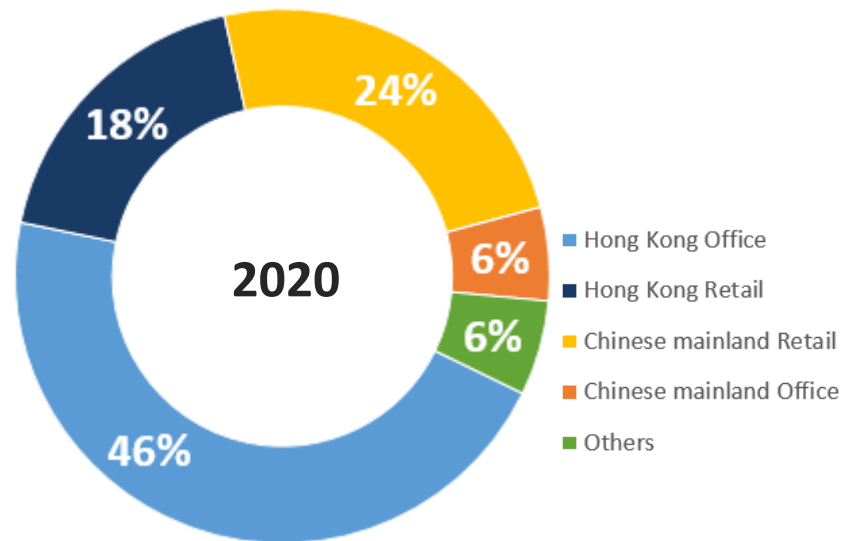
Attributable
Valuation
(vs 2019)

HK\$ **46.6** bn

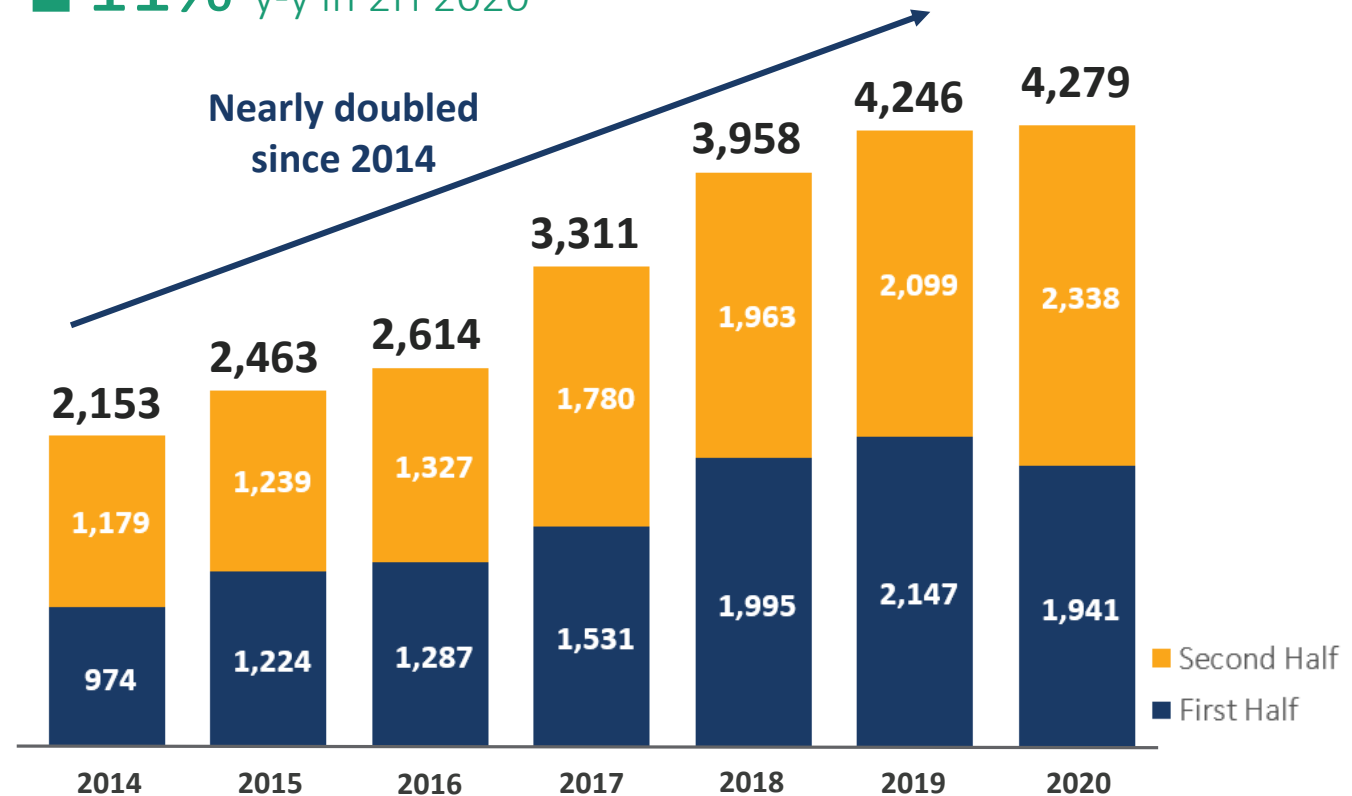
CHINESE MAINLAND PORTFOLIO

DOUBLE-DIGIT RENTAL GROWTH IN 2H 2020

30% of total attributable gross rental income from the Chinese mainland in 2020.



Chinese mainland Attributable Gross Rental Income
HK\$M
↑ **11%** y-y in 2H 2020



CHINESE MAINLAND RETAIL

SECOND LARGEST RENTAL CONTRIBUTOR WITH STRONG RECOVERY OVERALL

Beijing



Taikoo Li Sanlitun

Occupancy
Retail Sales

99%

-18.2%

Guangzhou & Chengdu

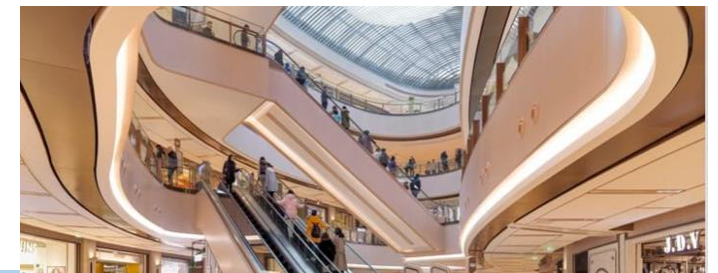


Taikoo Hui

100%

+36.0%

Shanghai



HKRI Taikoo Hui

95%

+15.0%



INDIGO

Occupancy
Retail Sales

98%

-11.7%



Sino-Ocean Taikoo Li Chengdu

95%

+6.2%

↑13%

Attributable
Valuation
(vs 2019)

HK\$ **45.5** bn

↑10%

Overall Attributable
Retail Sales in 2020
(vs 2019)

CHINESE MAINLAND RETAIL

STRONG REBOUND IN 2H 2020 LED BY LUXURY SALES

Overall Attributable Retail Sales in 2H 2020

↑ **29%**

Retail Sales Growth



HKRI Taikoo Hui

+2% (1H 2020) → **+25%** (2H 2020) ■ 1st Harrods The Residence in the Chinese mainland opened.



Sino-Ocean Taikoo Li Chengdu

-15% (1H 2020) → **+26%** (2H 2020) ■ Chanel's first shoes boutique, RIMOWA's global flagship store opened.



Taikoo Hui

+3% (1H 2020) → **+65%** (2H 2020) ■ New watch and jewellery section opened. Welcomed CHAUMET and Chloe's 1st presence in Guangzhou.



Taikoo Li Sanlitun

-38% (1H 2020) → **-1%** (2H 2020) ■ Apple flagship store reopened.



INDIGO

-6% (1H 2020) → **-17%** (2H 2020) ■ Chanel Beauty, Chow Sang Sang and Polo Ralph Lauren became new tenants in 2020.

CHINESE MAINLAND OFFICE

LARGELY STEADY OCCUPANCY IN 2H 2020



Taikoo Hui Offices



HKRI Centre 1 & Centre 2



ONE INDIGO

Occupancy

95%

97%

70%

Latest Rentals
(RMB psm)

mid 100s to low 200s

mid 300s to mid 400s

low 200s to high 200s

↑7%

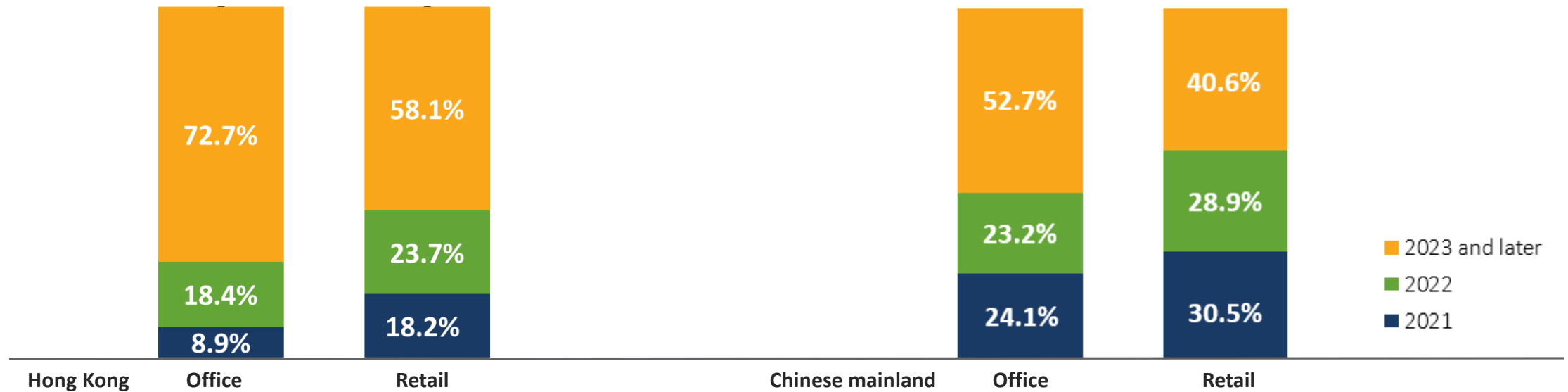
Attributable
Valuation
(vs 2019)

HK\$ **14.2** bn

LEASE EXPIRY

ONLY SMALL PROPORTION OF HONG KONG OFFICE LEASES EXPIRING IN 2021

Lease Expiry Profile ⁽¹⁾⁽²⁾



- Top 10 office tenants occupied approx. 20% and 48% of office area in HK and Chinese mainland respectively.
- Top 10 retail tenants occupied approx. 26% and 18% of retail area in HK and Chinese mainland respectively.

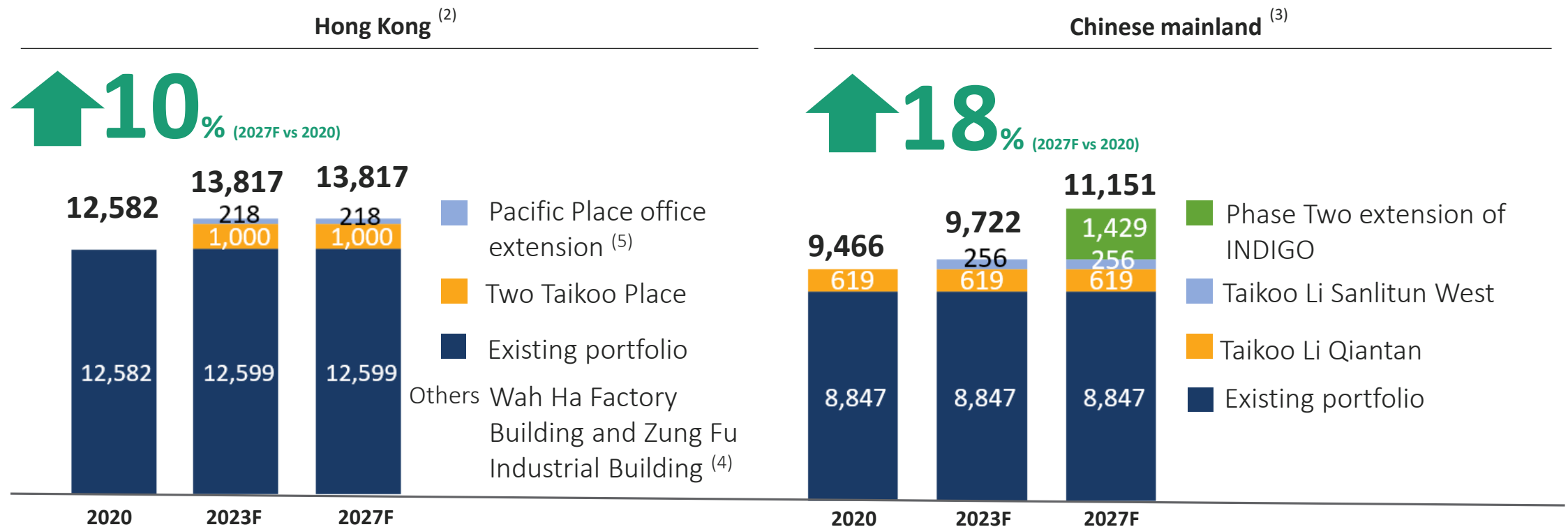
(1) At 31st December 2020.

(2) Based on the percentage of attributable gross rental income for the month ended 31st December 2020.

COMPLETED INVESTMENT PROPERTIES ⁽¹⁾

DUAL GROWTH SOURCES

Expected Attributable GFA of Completed Property Portfolio ('000 sq ft)



(1) In November 2020, 227 car parking spaces in the Taikoo Shing residential estate were offered for sale. 164 of the car parking spaces had been sold at 9th March 2021.

(2) Includes GFA of the hotels and excludes the two sites (Wah Ha Factory Building and Zung Fu Industrial Building) which are under compulsory sale applications at 31st December 2020.

(3) Includes GFA of the hotels but excludes GFA of car parking spaces at these projects at 31st December 2020.

(4) Proposed development subject to the Company having successfully bid in the compulsory sale.

(5) Representing 46-56 Queen's Road East.



EIGHT STAR STREET

TRADING PORTFOLIO

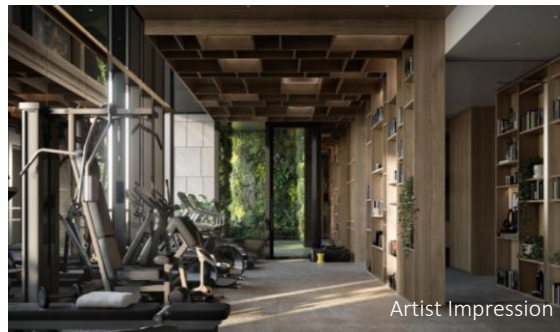
TRADING PORTFOLIO

A ROBUST RESIDENTIAL PIPELINE IN HONG KONG

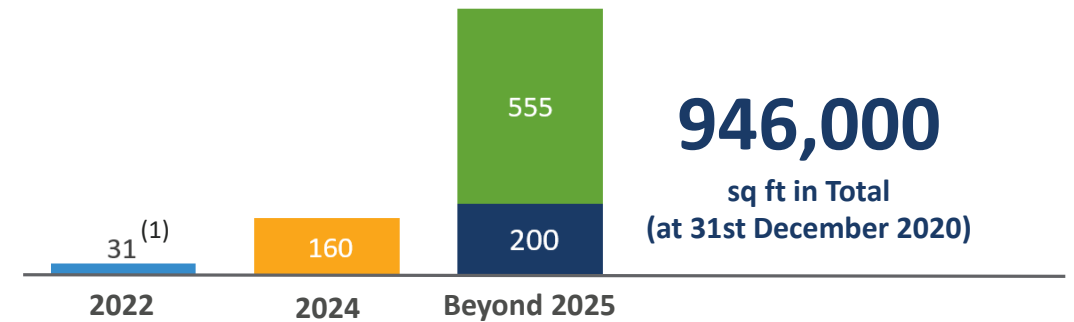
EIGHT STAR STREET ⁽¹⁾

- First batch of units offered for sale by tender in January 2021 ⁽²⁾.
- Superstructure works in progress.

37 units



Expected Attributable Residential GFA Completions in Hong Kong
GFA ('000 sq ft)



WONG CHUK HANG MTR STATION PACKAGE FOUR

- 25% owned.
- Foundation works in progress.

~800 units

CHAI WAN INLAND LOT NO. 88 ⁽³⁾

- 80% owned.
- Acquisition of the relevant land completed in 2019.

983-987A KING'S ROAD AND 16-94 PAN HOI STREET, QUARRY BAY ⁽³⁾

- 50% owned.
- Compulsory sale application submitted in 2018.

(1) Excluding a retail podium of approximately 2,839 sq ft which will be retained for investment purposes.

(2) At 9th March 2021, two of 37 units had been pre-sold.

(3) Proposed developments subject to the JV having successfully bid in the compulsory sale and applicable town planning controls (for 983-987A King's Road and 16-94 Pan Hoi Street) and the agreement on land premium with the Hong Kong government (for Chai Wan Inland Lot No. 88).

TRADING PORTFOLIO

OUTSIDE HONG KONG, ADDED TWO PROJECTS IN VIETNAM

Ho Chi Minh City

The River

- 20% owned.
- 525 residential units.
- To be completed in 2022.

Units Sold: ⁽¹⁾

447 / 85%



The River
Artist Impression

~846,200 sq ft GFA ⁽³⁾

A Residential-led Mixed-use Development

- A minority investment made in March 2021.
- Development under construction.
- Expected completion in phases over 2021-2026.

Singapore

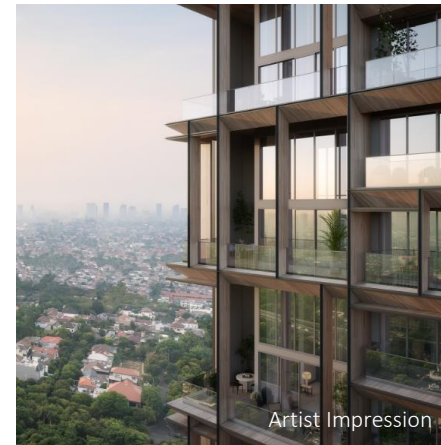


EDEN

- 100% owned.
- 20 residential units.
- Completed in November 2019 and available for sale.

~77,200 sq ft GFA

Jakarta

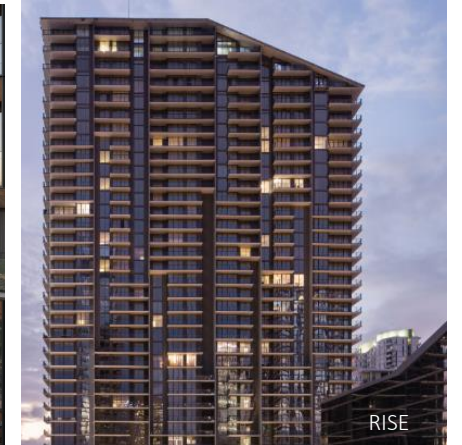


South Jakarta Project

- 50% owned.
- Over 400 residential units.
- To be completed in 2024.
- Piling works in progress.

~1.1M sq ft GFA ⁽³⁾

Miami



Reach & Rise

Average Price:

Reach: mid US\$ **600s** psf ⁽²⁾

Rise : high US\$ **600s** psf ⁽²⁾

Units Sold: ⁽¹⁾

Reach: **367 / 94%**

Rise : **327 / 84%**

⁽¹⁾ At 9th March 2021. Sales of two and 26 units from Reach and Rise are expected to be recognised in 2021 respectively.

⁽²⁾ Average selling price is based on saleable area.

⁽³⁾ GFA on 100% basis.



The Middle House

HOTEL PORTFOLIO

HOTEL PORTFOLIO

GRADUAL RECOVERY IN CHINESE MAINLAND AND MIAMI; TOUGHER OUTLOOK FOR HONG KONG

Managed Hotels

- Operating loss (before depreciation) : HK\$ **134** M in 2020 reflecting adverse impact of COVID-19 associated travel restrictions.
- Business recovered gradually at hotels in the Chinese mainland and Miami in 2H 2020.

Non-managed Hotels

- The Silveri Hong Kong – MGallery ⁽¹⁾ at Tung Chung is expected to open later this year.



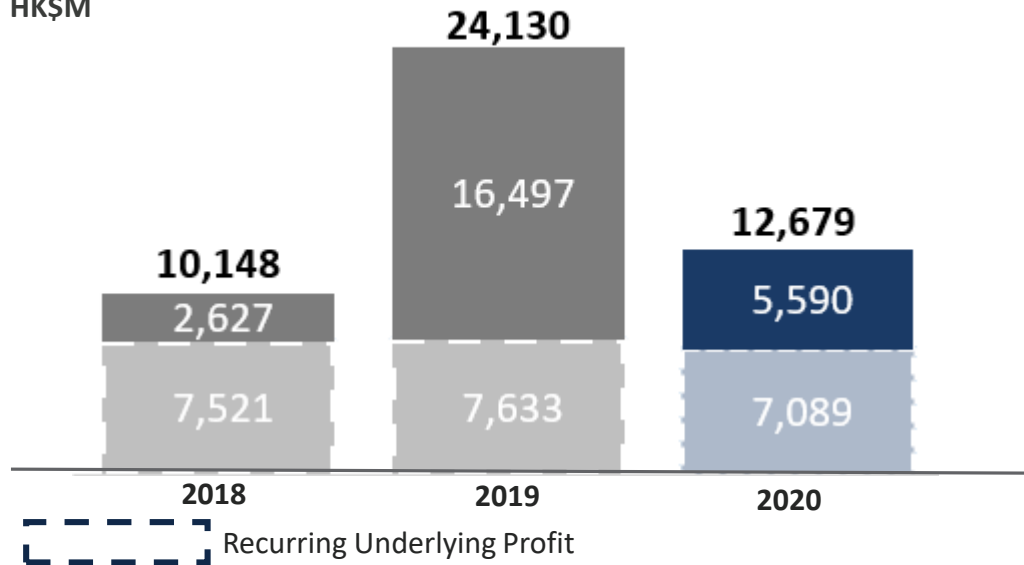


Pacific Place

FINANCIAL HIGHLIGHTS

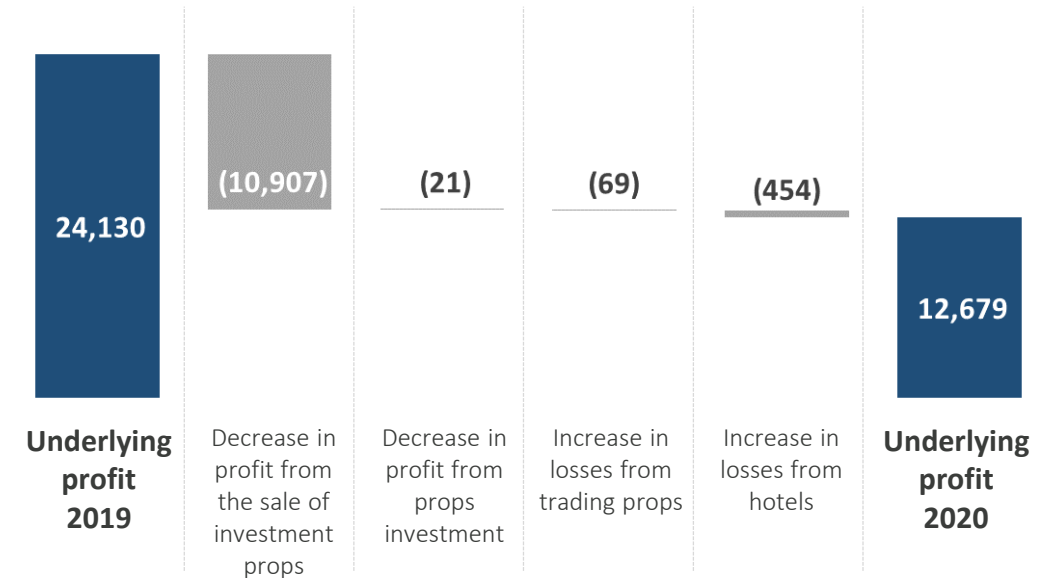
UNDERLYING PROFIT LOWER MAINLY DUE TO DISPOSAL GAINS

Underlying Profit
HK\$M



By Segment (HK\$M)	FY 2019	FY 2020	Change
Property investment	7,721	7,700	Flat
Property trading	(18)	(87)	n.m.
Hotels	(70)	(524)	n.m.
Recurring Underlying Profit	7,633	7,089	↓ 7%
Sale of interests in investment properties	16,497	5,590	↓ 66%
Underlying Profit	24,130	12,679	↓ 47%

Movement in Underlying Profit
HK\$M

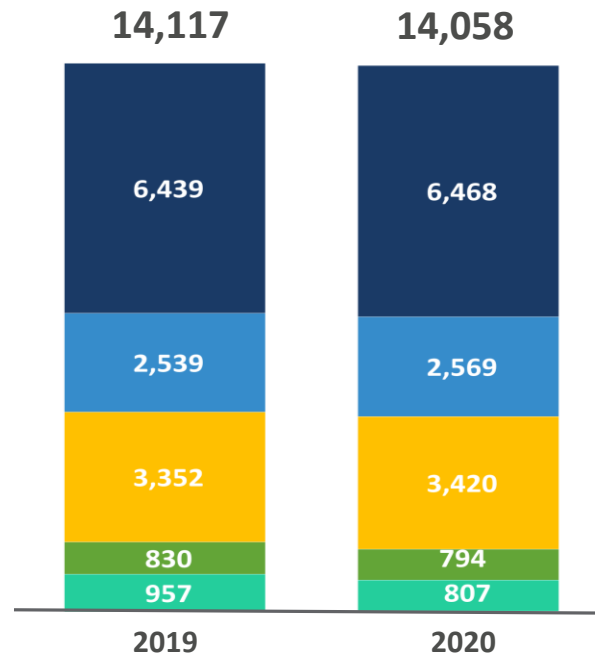


Recurring underlying profit decreased by 7% in 2020, this reflected higher losses from hotels due to COVID-19, as well as lower rental income from our residential and retail businesses in Hong Kong.

RENTAL INCOME

STEADY PERFORMANCE DESPITE MARKET CHALLENGES

Attributable Gross Rental Income ⁽¹⁾
HK\$M



Flattish

Attributable
Gross Rental
Income ⁽¹⁾

HK\$ **14,058** M



HK OFFICE Flattish (+3% disregarding disposals)

- Positive rental reversions and firm occupancy, particularly at Taikoo Place.
- Partly offset by rental loss from disposals.



HK RETAIL +1% (-4% disregarding rental concessions in both years)

- Slight improvement in retail sales starting from Q4 2020 despite difficult market conditions.



CHINESE MAINLAND RETAIL +2% (+8% disregarding amortised rental concessions in RMB terms)

- Higher retail sales partly offset by amortised rental concessions.
- Strong recovery of footfall and retail sales since March 2020.



CHINESE MAINLAND OFFICE -4%

- Weak demand because of economic uncertainty and significant new supply in Guangzhou and Beijing.



OTHERS -16%

- Loss of office rental income in Miami following the disposal of two office towers in July 2020.
- Reduced demand for residential investment properties due to COVID-19.

DIVIDEND

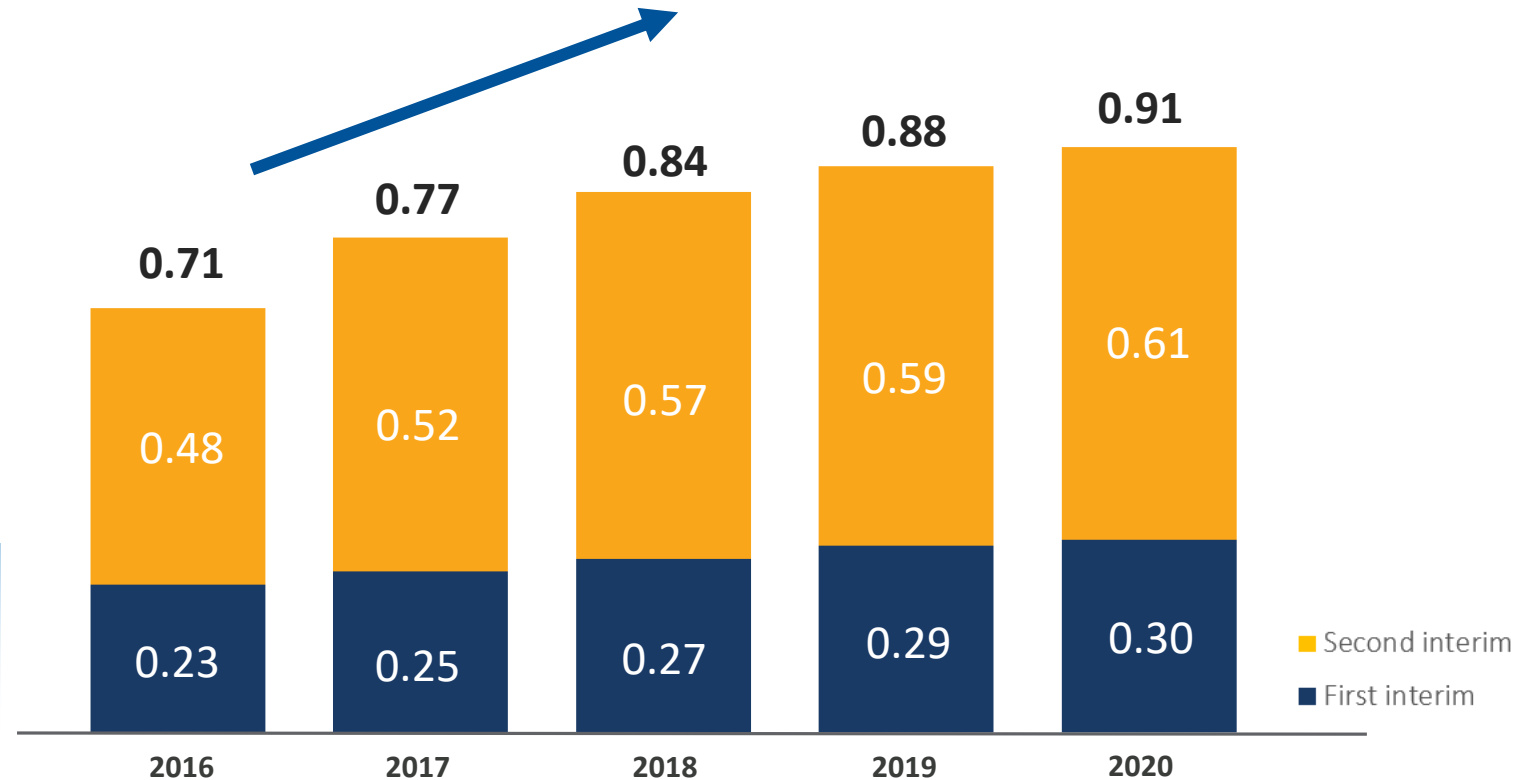
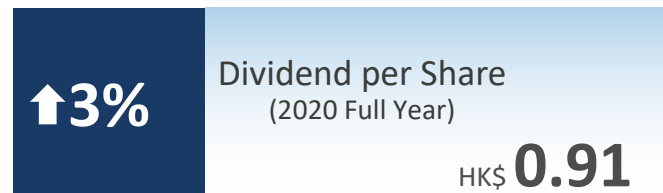
POSITIVE GROWTH DESPITE LOWER UNDERLYING PROFIT

Dividend Policy

To deliver sustainable growth in dividends and to pay out approximately half of our underlying profit in ordinary dividends over time.

Dividend Per Share HK\$/sh

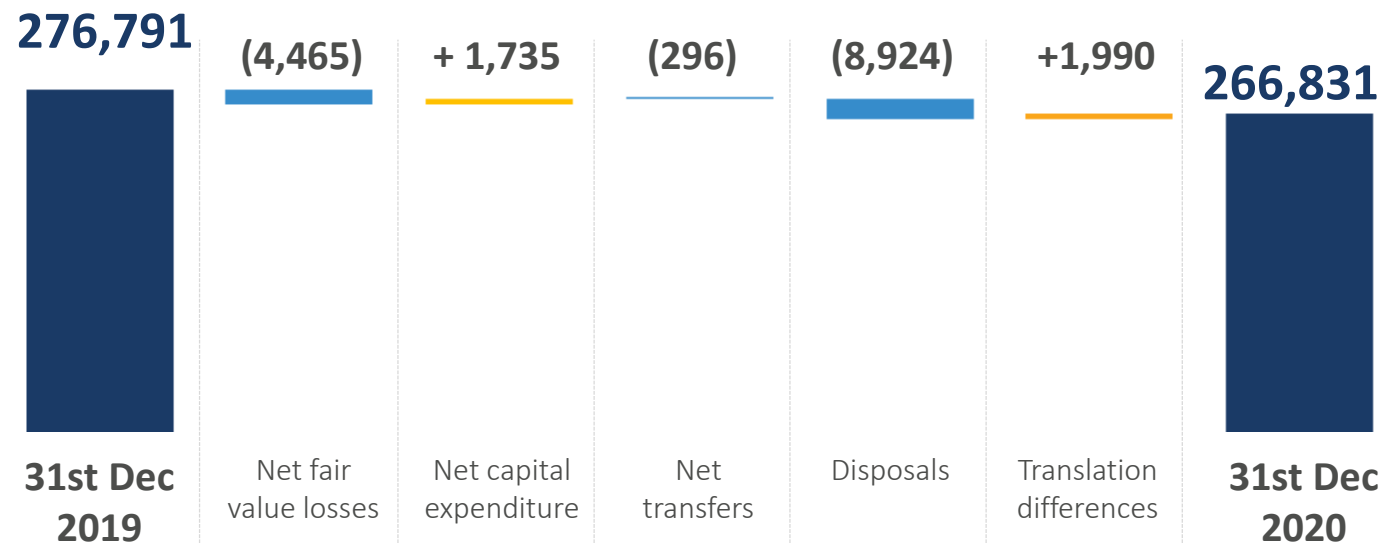
Five-year Payout: **39%** ⁽¹⁾
CAGR: **6.4%**



MOVEMENT IN INVESTMENT PROPERTIES VALUATION

Movement in Investment Properties Valuation ⁽¹⁾
(excl. hotels and investment properties held under JVCs)

HK\$M



The decrease in the valuation in the investment property portfolio was mainly due to the disposals of Cityplaza One office tower in Hong Kong and two office towers in Miami and a decrease in the valuation of the retail and office properties in Hong Kong (reflecting rental decreases). There were increases in the valuations of car parking spaces in Hong Kong and of the retail properties in the Chinese mainland. The latter increases reflected rental increases and a reduction of 25 basis points in the capitalisation rate applicable to some properties.

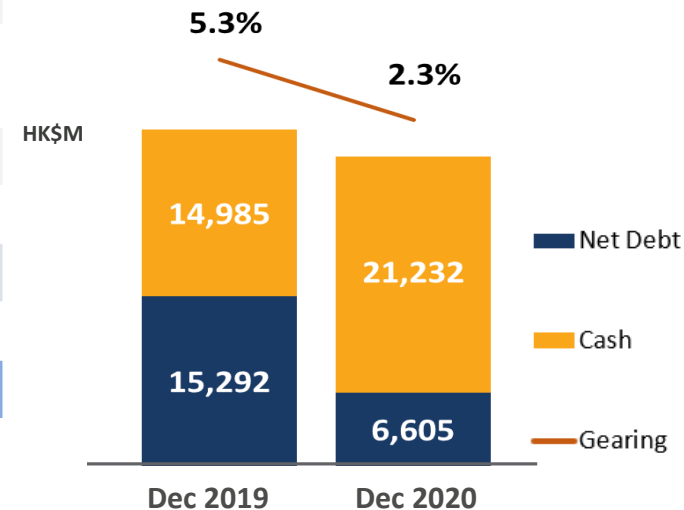


NET DEBT AND GEARING

GEARING AT HISTORICALLY LOW LEVEL

Net Debt Reconciliation (HK\$M)			
Net debt at 31st December 2019		(15,292)	
Net rental, fee receipts and proceeds from property trading / development	9,095		
Net proceeds from disposals of investment properties	9,485		
Capex – PP&E and property investment and development cost for property trading		(1,652)	
Cashflow from JVCs, associates and other investments	523		
Dividends paid to the Company's shareholders		(5,206)	
Tax paid		(1,589)	
Other net cash paid		(1,937)	
Sub-total	19,103	(10,384)	8,719
Lease liabilities			(32)
Net debt at 31st December 2020			(6,605)

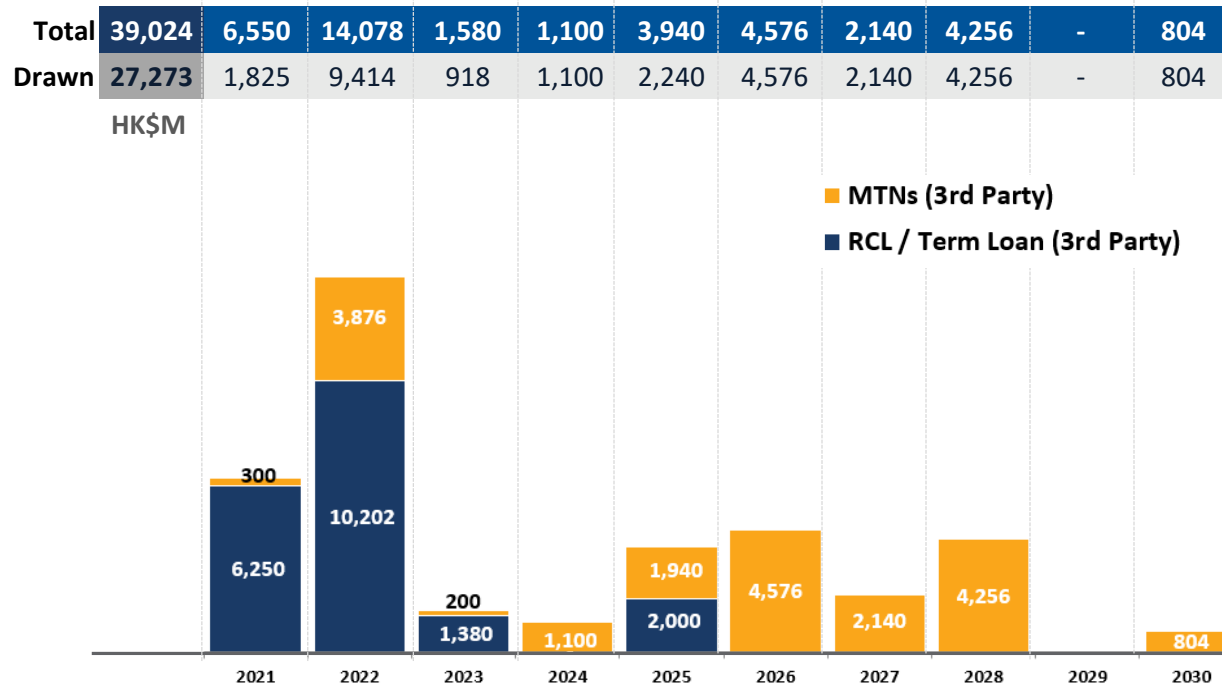
Financial Ratios ⁽¹⁾	2016	2017	2018	2019	2020
Total equity (HK\$M)	227,225	259,378	281,291	288,911	290,680
Net debt (HK\$M)	35,377	35,347	29,905	15,292	6,605
Gearing	15.6%	13.6%	10.6%	5.3%	2.3%
Underlying interest cover (x)	8.9	10.7	12.6	48.2	33.5
Underlying cash interest cover (x)	6.3	7.5	9.7	31.5	20.1
Weighted average cost of debt (on gross debt basis)	3.7%	3.5%	3.3%	3.4%	3.1%



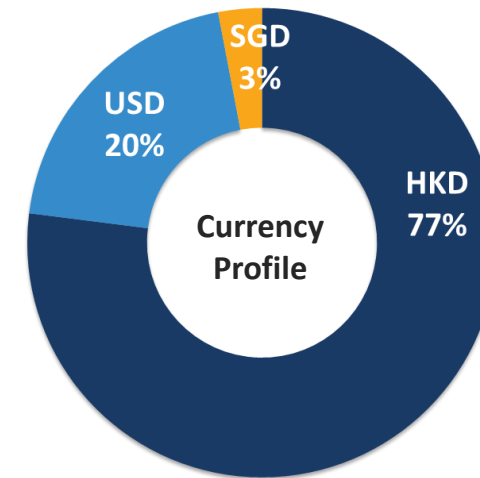
2.3%
Gearing

WELL-SPREAD MATURITY PROFILE & STRONG LIQUIDITY

Maturity Profile of Available Committed Facilities (at 31st December 2020)



HK\$M	Dec 2019	Dec 2020
Cash	14,985	21,232
Undrawn - committed	10,083	11,751
	25,068	32,983
Undrawn - uncommitted	747	758
	25,815	33,741



Fixed : Floating

76% : 24%

Credit Rating

Fitch "A"
Moody's "A2"

Major financing activities in 2020

- Term and revolving loan facilities aggregating HK\$ 2,000 M were raised.
- Issue of medium term notes of HK\$ 1,934 M.
- Refinancing of a term loan facility of US\$ 300 M.
- Repayment of medium term notes of US\$ 500 M.

Green Financing
contributing

~30%
of facilities

Cash & Undrawn
Committed Facilities

HK\$ 32,983 M

Available
Committed Facilities

HK\$ 39,024 M

ACTIVE CAPITAL RECYCLING

Disposal Proceeds and Underlying Profit on Disposal

Asset Disposal (HK\$'bn)	Disposal Proceeds			Total
	Before 2019	2019	2020	
Cityplaza One	-	-	8.2 ⁽¹⁾	8.2
Cityplaza Three & Cityplaza Four ⁽²⁾	3.0	12.0	-	15.0
625 King's Road Office Building (50% basis)	-	2.4	-	2.4
Kowloon Bay Office Building	6.5	-	-	6.5
Other non-core properties in Hong Kong and U.S.A.	2.0 ⁽³⁾	2.0	1.4 ⁽⁴⁾	5.4
Total	11.5	16.4	9.6	37.5

- Underlying profit on sale of interests in investment properties of HK\$ 5,590 M was recognised in 2020.

(1) Sale proceeds of HK\$1 bn received in 2021.

(2) Cityplaza Three / Cityplaza Four is currently known as 14 Taikoo Wan Road / 12 Taikoo Wan Road respectively.

(3) Only includes asset disposals closed or committed in 2018.

(4) Only includes asset disposals closed or committed in 2020.

CAPITAL COMMITMENTS

Profile of Capital Commitments for Investment Properties and Hotels – at 31st December 2020

HK\$M	Expenditure	Forecast Expenditure				Commitments*
	2020	2021	2022	2023	2024 & later	At 31st Dec 2020
Hong Kong	1,452	3,778	3,775	1,590	4,184	13,327
Chinese mainland	5,770	1,468	502	1,011	2,356	5,337
U.S.A.	65	6	-	-	-	6
Total	7,287	5,252	4,277	2,601	6,540	18,670

* The capital commitments represent the Group's capital commitments of HK\$ 14,294 M plus the Group's share of the capital commitments of joint venture companies of HK\$ 4,376 M. The Group is committed to funding HK\$ 1,330 M of the capital commitments of joint venture companies.



South Island Place

SUSTAINABLE DEVELOPMENT

SUSTAINABLE DEVELOPMENT HIGHLIGHTS⁽¹⁾

1st real estate developer in Hong Kong and Chinese mainland to **join the list of global companies committing to Business Ambition for 1.5°C** (December 2020).

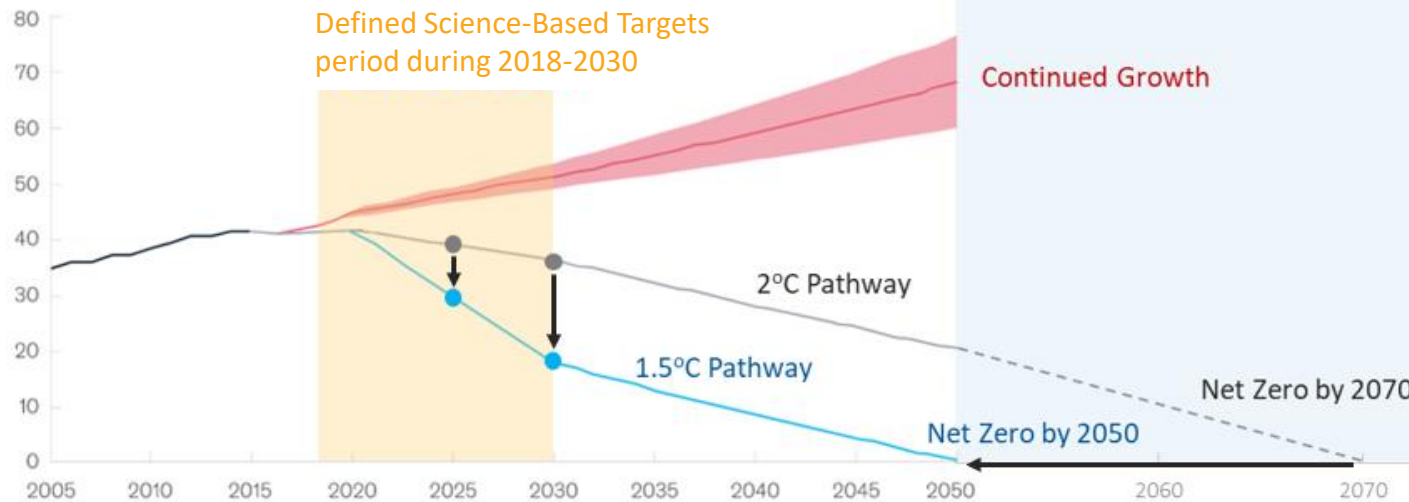
BUSINESS AMBITION FOR 1.5°C



To ramp up our current Science-Based Targets to align with the pathway of limiting global warming to 1.5°C; which would be crucial in paving the way to reach net-zero emissions by 2050.

Global Carbon Emission Pathway⁽²⁾

Metric gigatons of CO₂ (GtCO₂) per year



~30%

of current bond and loan facilities from

green financing

HK\$ 1,196 M

sustainable procurement spend

Low carbon specifications

for building materials adopted in new Hong Kong projects

33 (1) Detailed highlights of our 2020 sustainable development performance are included in the Appendix.
(2) Chart adapted from "Climate math: What a 1.5-degree pathway would take, Mckinsey & Company".

PERFORMANCE (ENVIRONMENT)

ACHIEVING OUR 2020 TARGETS TO BRING POSITIVE ENVIRONMENTAL IMPACT

Energy Reduction



Decarbonisation⁽⁴⁾



Commercial Waste –
% Diverted from Landfill



	Current	2020 Target ⁽³⁾	Current	2020 Target	Current	2020 Target
Hong Kong Portfolio	31.3% ⁽¹⁾	26%	44.1% ⁽²⁾	27%	25.0% ⁽¹⁾	25%
Estimated savings in 2020 against baseline	HK\$ 99.6 M					
Chinese mainland Portfolio	23.4% ⁽²⁾	20%	42.2% ⁽²⁾	21%	34.6% ⁽¹⁾	
Estimated savings in 2020 against baseline	HK\$ 25.5 M					

(1) Including office and retail portfolios and hotels.

(2) Including office and retail portfolios, excluding hotels.

(3) Energy consumption refers to purchased electricity for the provision of shared services for and in the common parts of our buildings with reference to the business-as-usual ("BAU") baseline year of 2008 for our Hong Kong portfolio, and the first BAU baseline year for which a complete calendar year of data was available for projects in our Chinese mainland portfolio.

(4) In addition to energy reduction, the improvement in emission factors in local electricity grids, and the procurement of renewable energy, have also been considered in the calculations of the progress of decarbonisation, according to the market-based method as defined by GHG Protocol.

FUTURE TARGETS ADVANCING TO SD 2030



People



2025 KPI

Gender pay ratio:
1 to 1

Lost Time Injury Rate
(LTIR):
≤ 1.2
Non-hotel operations
≤ 2.0
Hotel operations

Partners



2025 KPI

25% of products and services purchased⁽¹⁾ shall be sustainable

60% of new office leases and renewals⁽²⁾ sign a **Green Performance Pledge**

Performance (Environment)



2025 KPI

Scope 1 and 2⁽³⁾
↓ 35% per sqm



Hong Kong portfolio⁽⁶⁾
↓ 23.6%
Chinese mainland portfolio⁽⁷⁾
↓ 13.5%

2030 KPI

Decarbonisation

Scope 1 and 2⁽³⁾
↓ 52% per sqm

Scope 3 –
Capital Goods⁽⁴⁾
↓ 25% per sqm

Scope 3 –
Downstream Leased Assets⁽³⁾
↓ 28% per sqm

Energy Reduction⁽⁵⁾

Hong Kong portfolio⁽⁶⁾
↓ 42.5%
Chinese mainland portfolio⁽⁷⁾
↓ 38.8%

Performance (Economic)



2025 KPI

Achieve a minimum of **50%** of bond and loan facilities⁽⁸⁾ from **green financing**

2030 KPI

Achieve a minimum of **80%** of bond and loan facilities⁽⁸⁾ from **green financing**

35 (1) For wholly owned new and existing investment portfolios.
(2) In wholly owned portfolios – Taikoo Place and Pacific Place in Hong Kong and Taikoo Hui in Guangzhou.
(3) From a 2018 baseline.

(4) From a 2016-2018 baseline.
(5) Energy reduction refers to a reduction in energy use intensity.
(6) Hong Kong portfolio refers to our office and retail portfolios and hotels in Hong Kong.

(7) Chinese mainland portfolio refers to our office and retail portfolios and hotels in the Chinese mainland.
(8) Arranged by the Hong Kong head office.



Sino-Ocean Taikoo Li Chengdu

PROSPECTS

ACCELERATE DIGITALISATION

Digital Retail

Omni-channel enabled unique digital retail experience

>120
digital projects
across 9
centres

- Contactless parking
- AI chatbot
- AI footfall tracking
- VR Experience Lounge
- Robotic solution
- Online shopping ...



>100 livestreaming sessions hosted ⁽¹⁾



>12 bn viewership on Dou Yin ⁽¹⁾

Energy Savings

More than a decade partnership with Tsinghua University through Joint Research Centre

Performance
(Environment)



~HK\$ **125** M
energy savings ⁽²⁾



AI to optimise
HVAC systems for
deep energy savings



5G-enabled
Taikoo Place

Digital B2B

Leasing management and tenant service digitalisation



100%

Hong Kong office portfolio leasing tracked and reviewed within **The Hub**
(leasing management system)



96%

Hong Kong office tenants using **SPL Tenant Portal**



PROSPECTS

- ❑ Resilient office portfolio in Hong Kong, particularly Taikoo Place, despite market headwinds. Modest recovery in Guangzhou, Shanghai and Beijing office markets.
- ❑ Brighter days ahead for shopping malls in the Chinese mainland which continues its strong rebound.
- ❑ Strong domestic travel supporting Chinese mainland hotels. Difficult outlook for Hong Kong hotels.
- ❑ Cautious sentiment from buyers of residential property in Hong Kong due to COVID-19 but resilient demand expected in the medium to long term.
- ❑ Focus on prudent long-term investment strategy, accelerating sustainable leadership and digital transformation of our business.





Taikoo Li Qiantan

Q&A



APPENDIX

2020 FINAL RESULTS SUMMARY

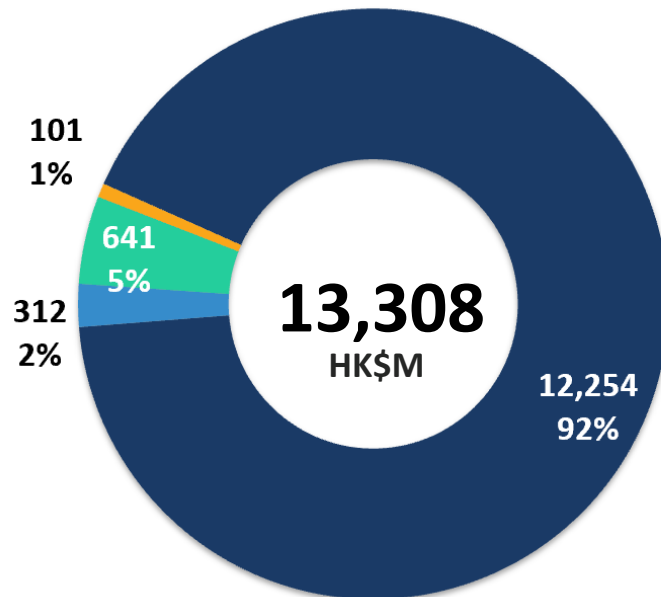
HK\$M	FY 2019	FY 2020	Change
Revenue	14,222	13,308	↓ 6%
Valuation gains/ (losses) on investment properties	3,720	(4,465)	N/A
Operating profit	14,397	5,506	↓ 62%
Underlying profit	24,130	12,679	↓ 47%
Recurring underlying profit	7,633	7,089	↓ 7%
Reported profit	13,423	4,096	↓ 69%
Underlying earnings per share (HK\$)	4.12	2.17	↓ 47%
Recurring underlying earnings per share (HK\$)	1.30	1.21	↓ 7%
Reported earnings per share (HK\$)	2.29	0.70	↓ 69%
First interim dividend per share (HK\$)	0.29	0.30	↑ 3%
Second interim dividend per share (HK\$) ⁽¹⁾	0.59	0.61	↑ 3%
HK\$M	Dec 2019	Dec 2020	Change
NAV attributable to the Company's shareholders ⁽²⁾	286,927	288,736	↑ 1%
Net debt	15,292	6,605	↓ 57%
Gearing ratio	5.3%	2.3%	↓ 3.0%pt
NAV per share (HK\$)	49.05	49.36	↑ 1%

41 (1) Second interim dividend for 2020 was declared on 11th March 2021 and will be paid on 6th May 2021.

(2) NAV refers to total equity attributable to the Company's shareholders.

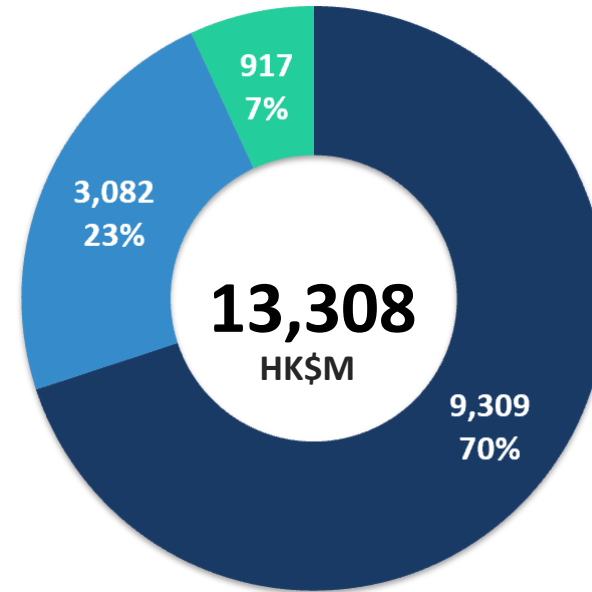
REVENUE ANALYSIS

2020 Revenue Breakdown by Segment



Comparison	FY 2019	FY 2020
■ Rental Income	12,271	12,254
■ Property Trading	516	312
■ Hotels	1,296	641
■ Others	139	101
Total	14,222	13,308

2020 Revenue Breakdown by Region



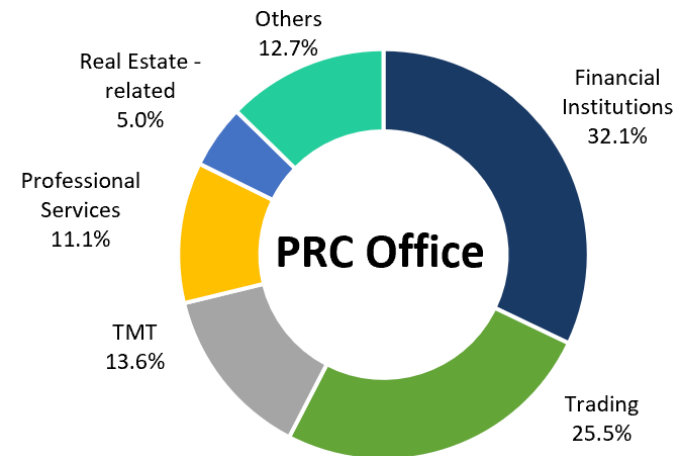
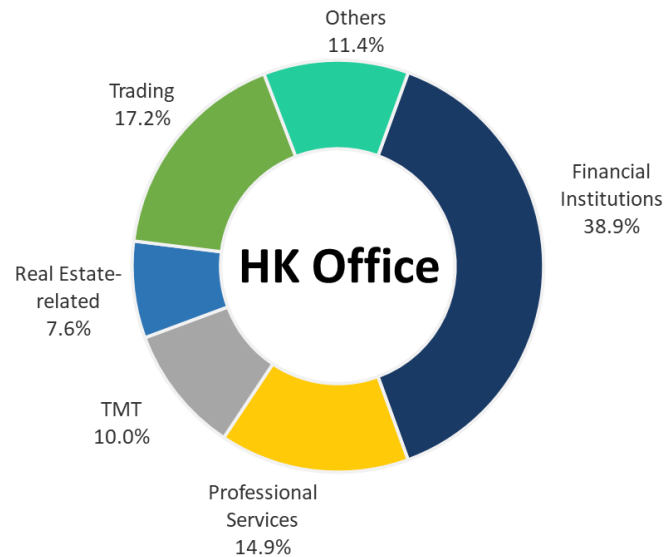
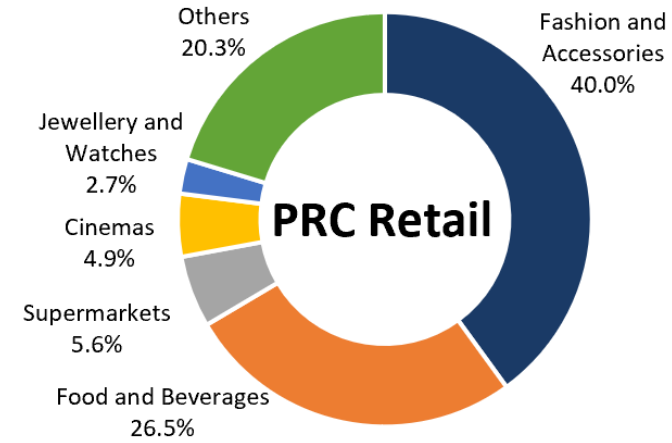
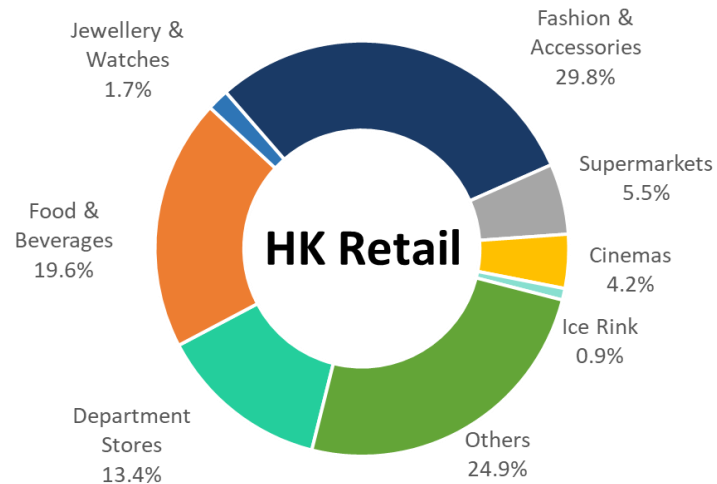
Comparison	FY 2019	FY 2020
■ Hong Kong	9,909	9,309
■ Chinese mainland	3,096	3,082
■ U.S.A.	1,217	917
Total	14,222	13,308

The turnover decreased by 6% principally due to lower revenue from hotels and property trading.

↓ 6%

Revenue
(2020) HK\$ **13,308** M

TENANT MIX





Green Financing

Issued four green bonds totaling HK\$1,934 M and secured a five-year HK\$1 bn green loan facility

~30% of current bond and loan facilities are from green financing

Disclosure & Reporting

Member of
Dow Jones Sustainability Indices
Powered by the S&P Global CSA

Top 5% globally;
Member of the
World Index



Global Sector
Leader

Hang Seng Corporate
Sustainability Index
Series Member 2020-2021

Highest total
score among
constituents;
“AAA” rating



SD 2030 STRATEGY: 2020 HIGHLIGHTS



People

Talent Attraction

Named **Most Attractive Employer** in Hong Kong by Randstad Employer Brand Research 2020

Talent Retention

>126,000 training hours delivered
20 training hours/employee/year

Safety, Health & Wellbeing

Lost time injury rate (LTIR): **1.25**

Diversity & Inclusion

Gender pay ratio
(female to male): **1 to 1.05**

Women hold **51%** of management positions



Places

Impact Reporting

Published our first **Places Impact Report** about Taikoo Place in March 2020



Taikoo Place recognised as **Winner** in the **2020 ULI Asia Pacific Awards for Excellence**



HKRI Taikoo Hui in Shanghai won **Commercial Project of the Year** at the **RICS Awards China 2020**



Partners

Suppliers

Organised our **first sustainability engagement** event for suppliers and business partners in Hong Kong

HK\$1,196 M of Sustainable Procurement¹ spending

Developed **low carbon specifications** for building materials for Hong Kong projects under development

Tenants

To date, **27 F&B** tenants in Hong Kong and the Chinese mainland have been recognised with **Green Kitchen Awards**

9 M kWh potential energy savings from free energy audits for Hong Kong and the Chinese mainland tenants (since 2008)



Performance (Environment)

Climate Change

Carbon Intensity²

Hong Kong³
↓ **44.1%**

Chinese mainland³
↓ **42.2%**

The **first real estate company** in Hong Kong and the Chinese mainland to pledge support to the **Business Ambition for 1.5°C** campaign

Energy

Energy Consumption⁴

Hong Kong⁵
↓ **31.3%**

Chinese mainland³
↓ **23.4%**

Achieved procurement of **100% renewable electricity** at Sino-Ocean Taikoo Li Chengdu

Waste

Commercial Waste Diversion Rate⁶

Hong Kong⁷
25.0%

Chinese mainland⁷
34.6%

Building Asset/ Investments

97% of all existing buildings⁸ are certified green buildings, of which **85%** achieved the highest ratings⁹

¹ Products or services that meet specific sustainability criteria such as green certification or accreditation by reputable, independent third parties.
² Carbon Intensity reduction targets reference the business-as-usual (“BAU”) baseline year of 2008 for our Hong Kong portfolio and the first BAU baseline year for which a complete calendar year of data was available for projects in our Chinese mainland portfolio.

³ Hong Kong portfolio and Chinese mainland portfolio refer to our office and retail portfolios in Hong Kong and the Chinese mainland respectively, excluding hotels.
⁴ Energy consumption refers to purchased electricity for the provision of shared services for and in the common parts of our buildings, with reference to the BAU baseline year of 2008 for our Hong Kong portfolio and the first BAU baseline year for which a complete calendar year of data was available for projects in our Chinese mainland portfolio.
⁵ Hong Kong portfolio refers to our office and retail portfolios and hotels in Hong Kong.

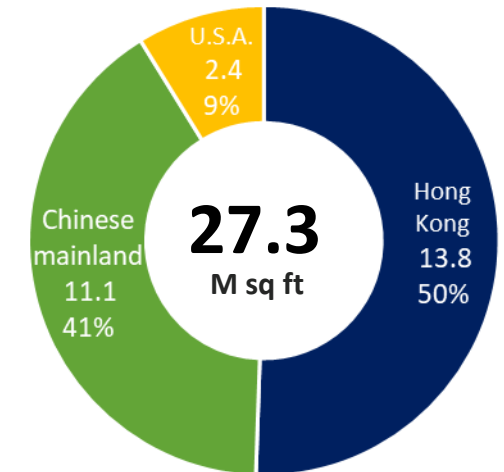
⁶ For the Chinese mainland portfolio, this refers to the commercial waste recycling rate.
⁷ Hong Kong portfolio and Chinese mainland portfolio refer to our office and retail portfolios and hotels in Hong Kong and the Chinese mainland respectively.
⁸ Measured as the percentage of total gross floor area.
⁹ BEAM Plus/LEED/China Green Building Design Label/WELL certification.

PROPERTY PORTFOLIO AT 31ST DECEMBER 2020

Investment Props / Hotels Attributable GFA (M sq ft)	Office	Retail	Hotels ⁽¹⁾	Resid./Serviced Apartments	Under Planning	Total
Completed						
<i>Hong Kong</i>	8.7	2.5	0.8	0.6	-	12.6
<i>Chinese mainland</i>	2.9	5.1	1.2	0.2	-	9.4
<i>U.S.A.</i>	-	0.3	0.5	0.1	-	0.9
Sub-Total (A)	11.6	7.9	2.5	0.9	-	22.9
Under Development or Held for Future Development						
<i>Hong Kong</i>	1.2	-	-	-	-	1.2
<i>Chinese mainland</i>	-	0.3	-	-	1.4	1.7
<i>U.S.A.</i>	-	-	-	-	1.5 ⁽²⁾	1.5
Sub-Total (B)	1.2	0.3	-	-	2.9	4.4
TOTAL = (A) + (B)	12.8	8.2	2.5	0.9	2.9	27.3

Trading Props Attributable GFA (M sq ft)	Completed Prop Held for Sale	Under Development / Held for Development	Total
<i>Hong Kong</i>	-	0.7	0.7
<i>U.S.A. and elsewhere</i>	0.3	2.6	2.9
Total	0.3	3.3	3.6

Attributable Investment Props by Region (GFA M sq ft)



Attributable Investment Portfolio
27.3 M sq ft

Attributable Trading Portfolio
3.6 M sq ft

Total Attributable Property Portfolio

30.9 M sq ft

(1) Hotels are accounted for in the financial statements under property, plant and equipment and, where applicable, the leasehold land portion is accounted for under right-of-use assets.

(2) This property is accounted for under properties held for development in the financial statements.

HONG KONG PROJECT PIPELINE

REINFORCING TAIKOO PLACE AND PACIFIC PLACE

Taikoo Place



Two Taikoo Place

~1M sq ft GFA

- 100% owned.
- Superstructure works in progress.

2022

Wah Ha Factory Building and Zung Fu Industrial Building ⁽¹⁾

~779,000 sq ft GFA

- Compulsory sale applications submitted in 2018.
- Redevelopment for office and other commercial uses.

TBD



Artist Impression

Pacific Place



Pacific Place Office Extension

46-56 Queen's Road East

~218,000 sq ft GFA

- 100% owned.
- Office development. Foundation works in progress.

2023



Artist Impression

CHINESE MAINLAND PROJECT PIPELINE

SCALING UP INVESTMENT IN BEIJING

Taikoo Li Sanlitun



Taikoo Li Sanlitun West

~256,000 sq ft GFA

- An extension to Taikoo Li Sanlitun.
- Refurbishment expected to be completed later in 1H 2021.

2021



INDIGO



Phase Two Extension of INDIGO

~4.1M sq ft GFA , over 2x current INDIGO

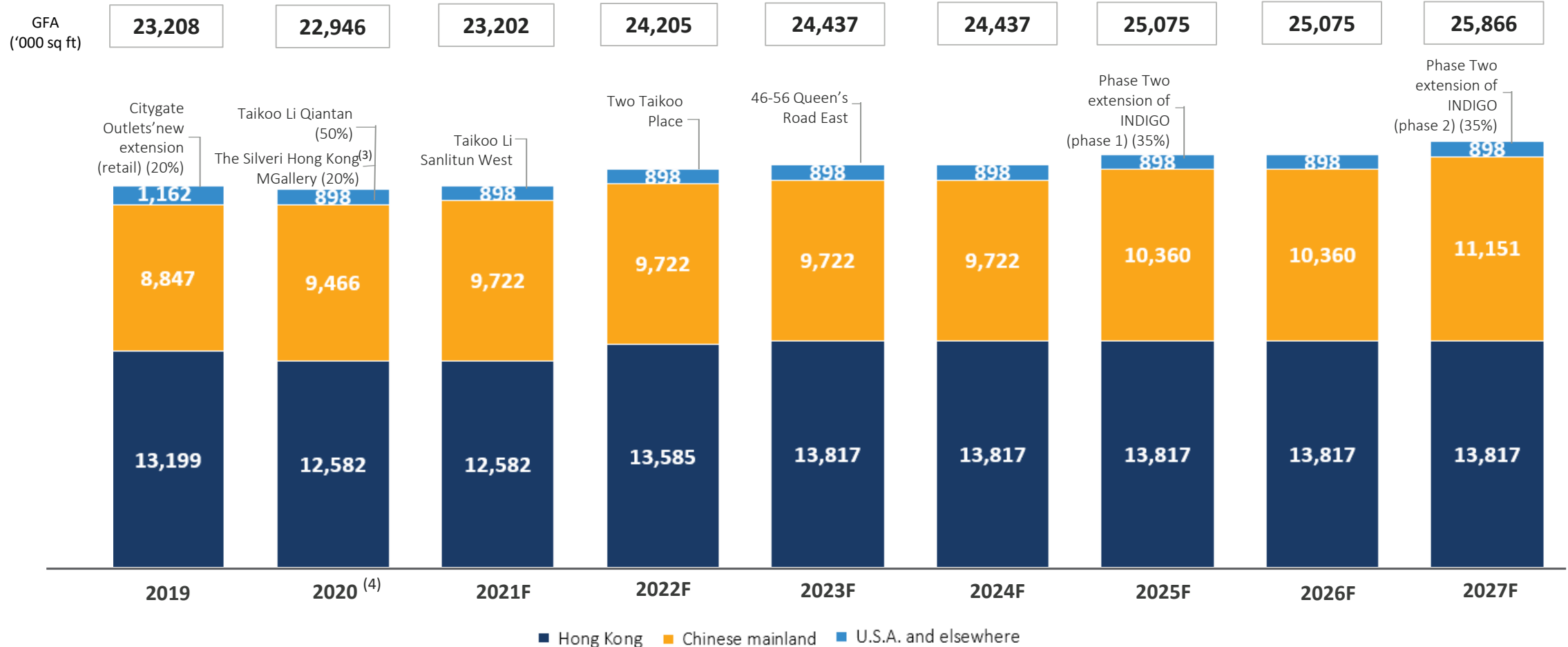
- 35% owned.
- Office-led mixed-use development.
- Development scheme under planning.

From late 2025



COMPLETED INVESTMENT PORTFOLIO

Expected Attributable GFA of Completed Investment Portfolio (incl. Hotels) ⁽¹⁾⁽²⁾



(1) As at 31st December 2020. Hotels are accounted for in the financial statements under property, plant and equipment and, where applicable, the leasehold land portion is accounted for under right-of-use assets.

(2) Excludes GFA of property trading components, two sites (Wah Ha Factory Building, No. 8 Shipyard Lane and Zung Fu Industrial Building, No. 1067 King's Road), and car parking spaces but includes GFA of the hotel portion of these projects.

(3) MGallery is expected to open later this year.

(4) The lower attributable GFA of the Hong Kong and U.S.A. portfolios in 2020 primarily reflected the sale of Cityplaza One, Two and Three Brickell City Centre.

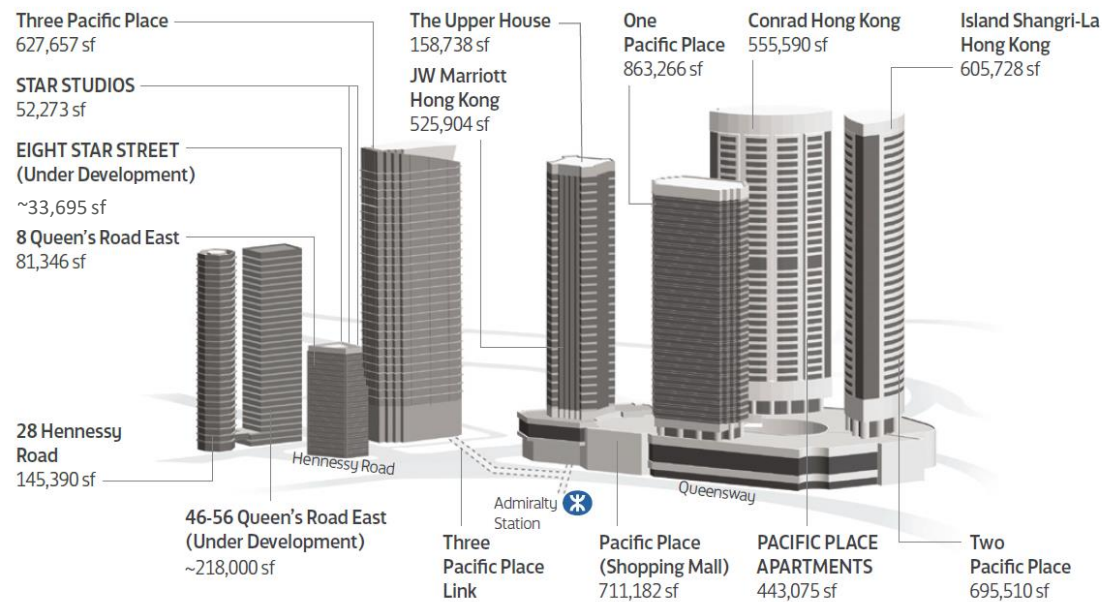
KEY BUSINESS STRATEGIES

- Continue to create long-term value by conceiving, designing, developing, owning and managing transformational mixed-use and other projects in urban areas.
- Maximise the earnings and value of our completed properties through active asset management and by reinforcing our assets through enhancement, redevelopment and new additions.
- Continue with our luxury and high quality residential property activities.
- Remain focused principally on Hong Kong and the Chinese mainland.
- Manage our capital base conservatively.

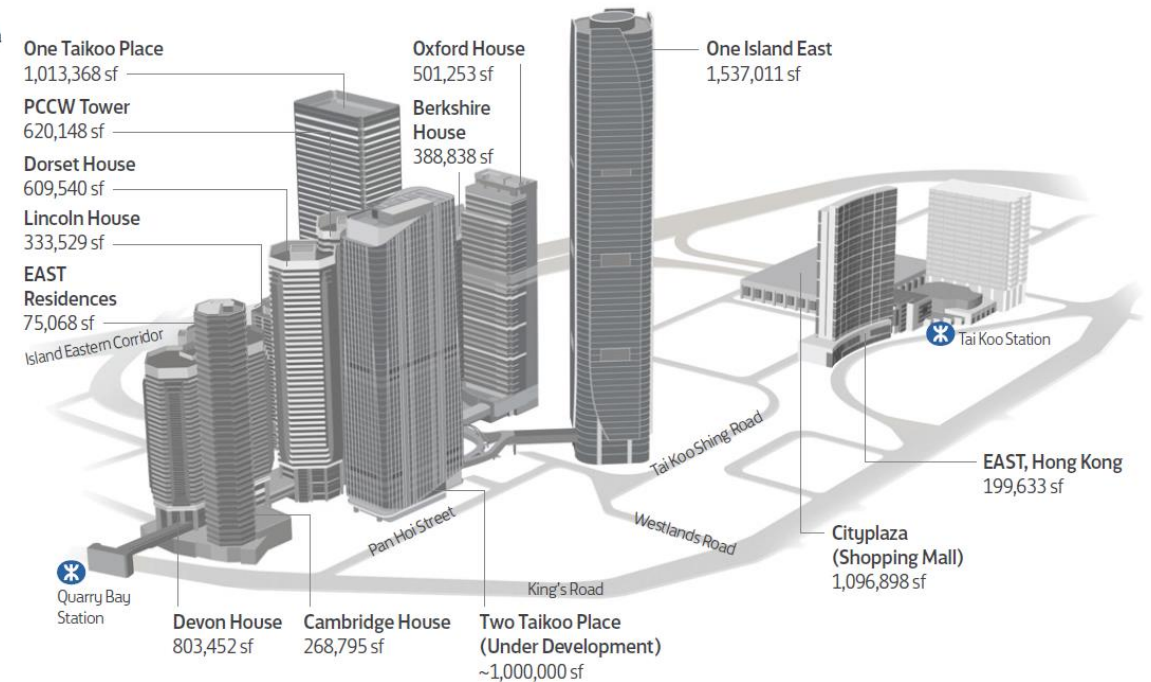


HONG KONG PORTFOLIO MAP

PACIFIC PLACE

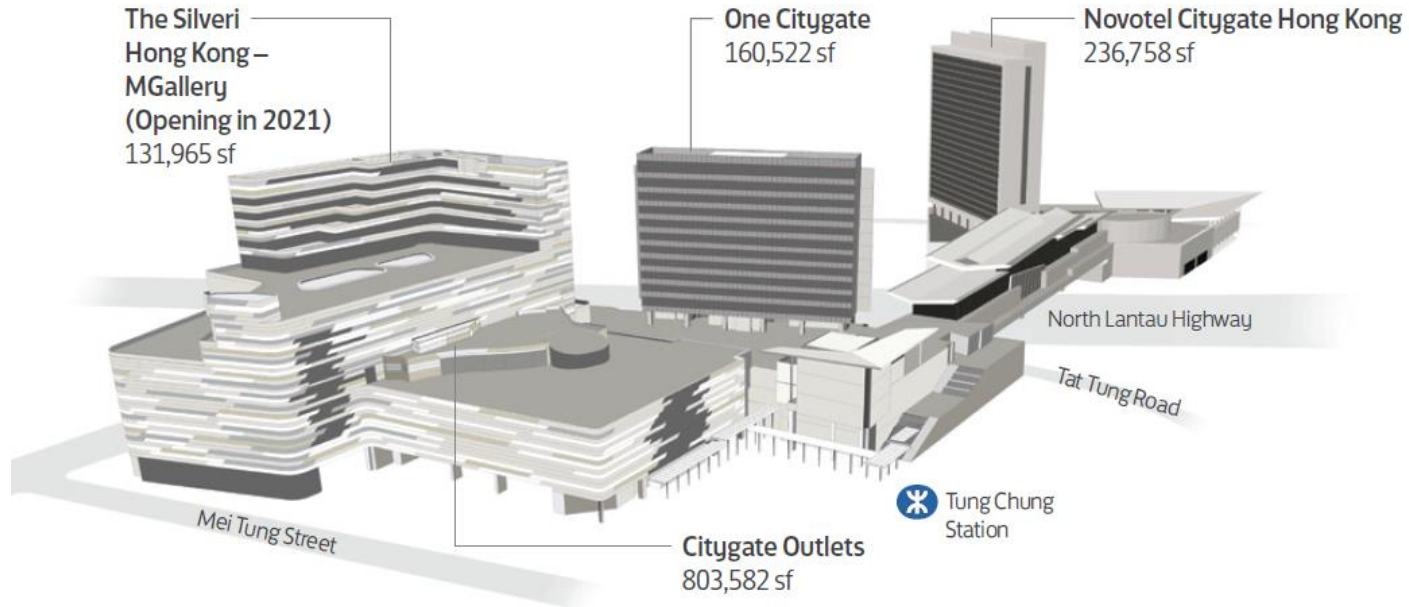


TAIKOO PLACE AND CITYPLAZA



HONG KONG PORTFOLIO MAP (CONT'D)

CITYGATE



COMPLETED CHINESE MAINLAND PORTFOLIO – BEIJING

Taikoo Li Sanlitun, Beijing

1.47 M sq ft GFA ⁽¹⁾



Project Summary (100% Basis)

Components TKL Sanlitun South
TKL Sanlitun North
TKL Sanlitun West
The Opposite House (TOH)

Interest Retail : 100%
TOH : 100%

Yr of Opening 2008 (TKL South) 2008 (TOH)
2010 (TKL North)
Expected in 2021 (TKL West)

Retail Sales -18.2%
Occupancy 99%

INDIGO, Beijing

1.89 M sq ft GFA



Project Summary (100% Basis)

Components Retail
ONE INDIGO
EAST, Beijing

Interest 50%

Yr of Opening 2011 / 2012

Retail Sales -11.7%
Occupancy 98% Retail 70% Office

COMPLETED CHINESE MAINLAND PORTFOLIO

– GUANGZHOU AND CHENGDU

Taikoo Hui, Guangzhou

3.84 M sq ft GFA



Project Summary (100% Basis)

Components Retail
Taikoo Hui Towers 1&2
Mandarin Oriental GZ

Interest 97%

Yr of Opening 2011 / 2012 / 2013

Retail Sales Occupancy

+36.0% **100%** **95%**
Retail Office

Sino-Ocean Taikoo Li Chengdu

1.66 M sq ft GFA



Project Summary (100% Basis)

Components Retail
The Temple House

Interest 50%

Yr of Opening 2014 / 2015

Retail Sales Occupancy

+6.2% **95%**
Retail

COMPLETED CHINESE MAINLAND PORTFOLIO – SHANGHAI

HKRI Taikoo Hui, Shanghai

3.54 M sq ft GFA



Project Summary (100% Basis)

Components Retail
HKRI Centre 1 & Centre 2
The Middle House and
The Sukhothai Shanghai
The Middle House Residences

Interest 50%

Yr of Opening 2016 / 2017 / 2018

Retail Sales Occupancy

+15.0% **95%** **97%**
Retail Office

Taikoo Li Qiantan, Shanghai

1.24 M sq ft GFA



Project Summary (100% Basis)

Components Retail

Interest 50%

Yr of Opening Expected in 2021

U.S.A. PORTFOLIO – MIAMI

Brickell City Centre

BCC: 0.99 M sq ft GFA OBCC: 1.97 M sq ft GFA



Project Summary (100% Basis)

Components Retail
EAST Miami (w Serv Apmt)
2 Condo Towers (Reach / Rise)
One BCC and a Condo Tower (under planning)

Interest Retail: 62.93%
Others: 100%

Yr of Opening 2016 (BCC)

Retail Sales Occupancy

-43.1% **95%**
Retail ⁽²⁾

COMPLETED U.S.A. TRADING PORTFOLIO

Trading Properties (At 9th March 2021)	Total Units	Units Sold	Actual Completion	Actual Handover from	Units for which Profit Recognised or Expected to be Recognised (Year)	Interest
Miami, Florida, U.S.A.						
Reach, Brickell City Centre	390	367	2016	2016	347(2016), 12(2017), 2(2018), 2(2019), 2(2020) and 2(2021) ⁽¹⁾	100%
Rise, Brickell City Centre	390	327	2016	2016	171(2016), 28(2017), 35(2018), 38(2019), 29(2020) and 26(2021) ⁽¹⁾	100%

HOTEL PORTFOLIO

Managed Hotels		No. of Rooms	Interest	Owned but Non-managed Hotels		No. of Rooms	Interest
Completed		(100% basis)		Completed		(100% basis)	
Hong Kong	The Upper House	117	100%	Hong Kong	Island Shangri-La Hong Kong	561	20%
	EAST, Hong Kong	345	100%		JW Marriott Hotel Hong Kong	608	20%
	Headland Hotel ⁽¹⁾	501	0%		Conrad Hong Kong	513	20%
Chinese mainland	The Opposite House, Beijing	99	100%		Novotel Citygate Hong Kong	440	20%
	EAST, Beijing	369	50%		The Silveri Hong Kong - MGallery	206	20%
	The Temple House, Chengdu ⁽²⁾	142	50%	Chinese mainland	Mandarin Oriental, Guangzhou ⁽³⁾	287	97%
	The Middle House, Shanghai ⁽²⁾	213	50%		The Sukhothai, Shanghai	201	50%
U.S.A.	EAST, Miami ⁽³⁾	352	100%	U.S.A.	Mandarin Oriental, Miami	326	75%
Sub-Total		2,138		Sub-Total		3,142	

2,138

Total
Managed
Rooms

