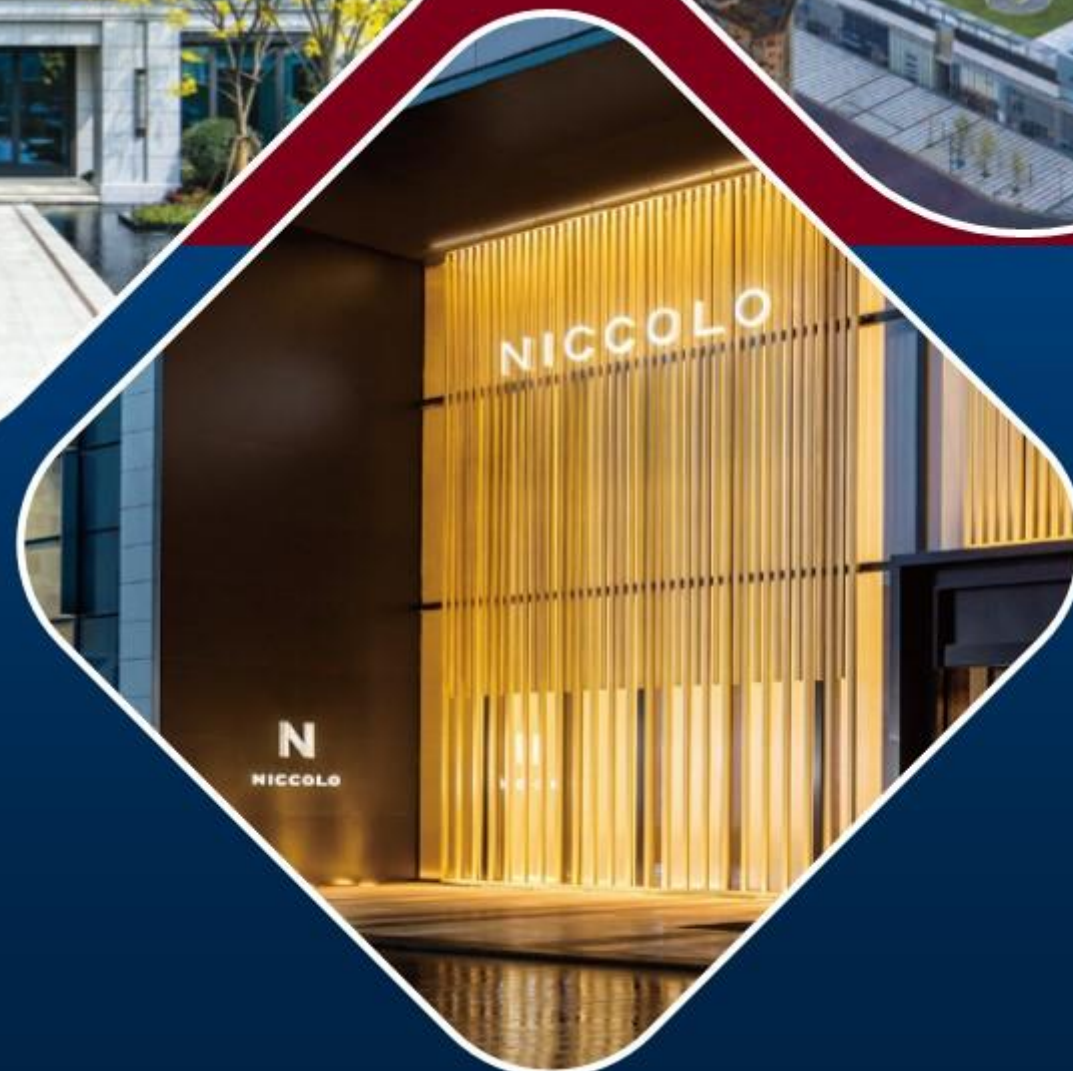


The Wharf (Holdings) Limited
2022 Interim Results
10 Aug 2022

Covid End Game Unknown





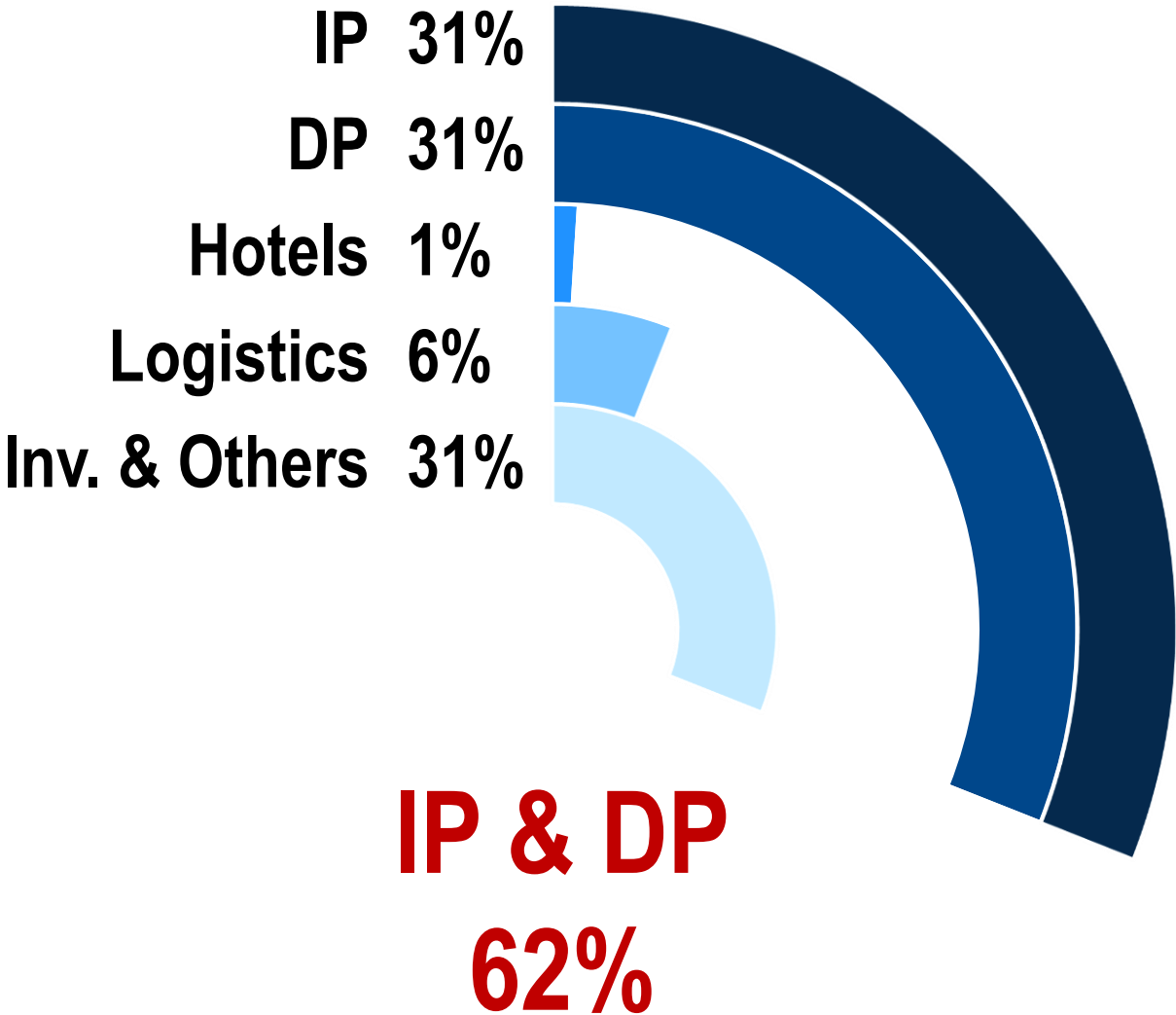
Overview

Results Highlights

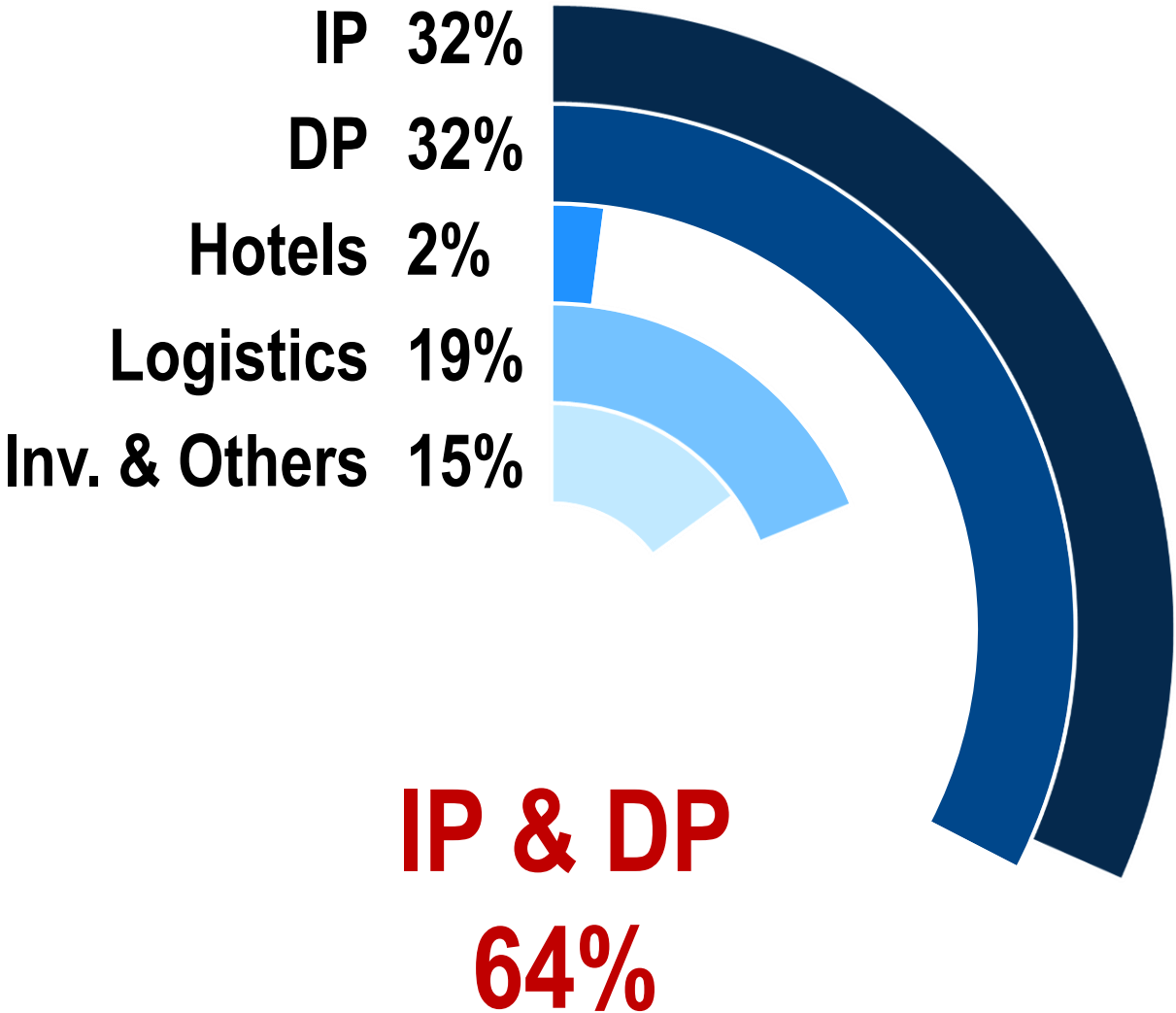
- During the Period, Business was Seriously Curtailed by Covid in both HK & Mainland
 - Negative: DP Bore the Brunt through Sales, Sales Recognition as well as Impairment Provisions
 - Negative: IP reported its First Reversal in Recent Years
 - Positive: Logistics
- Group Revenue -33% & Operating Profit -19%
- UNP Improved by \$788M, mainly due to a Net Decrease in DP Impairment Provisions

Assets Focus – Premium Property

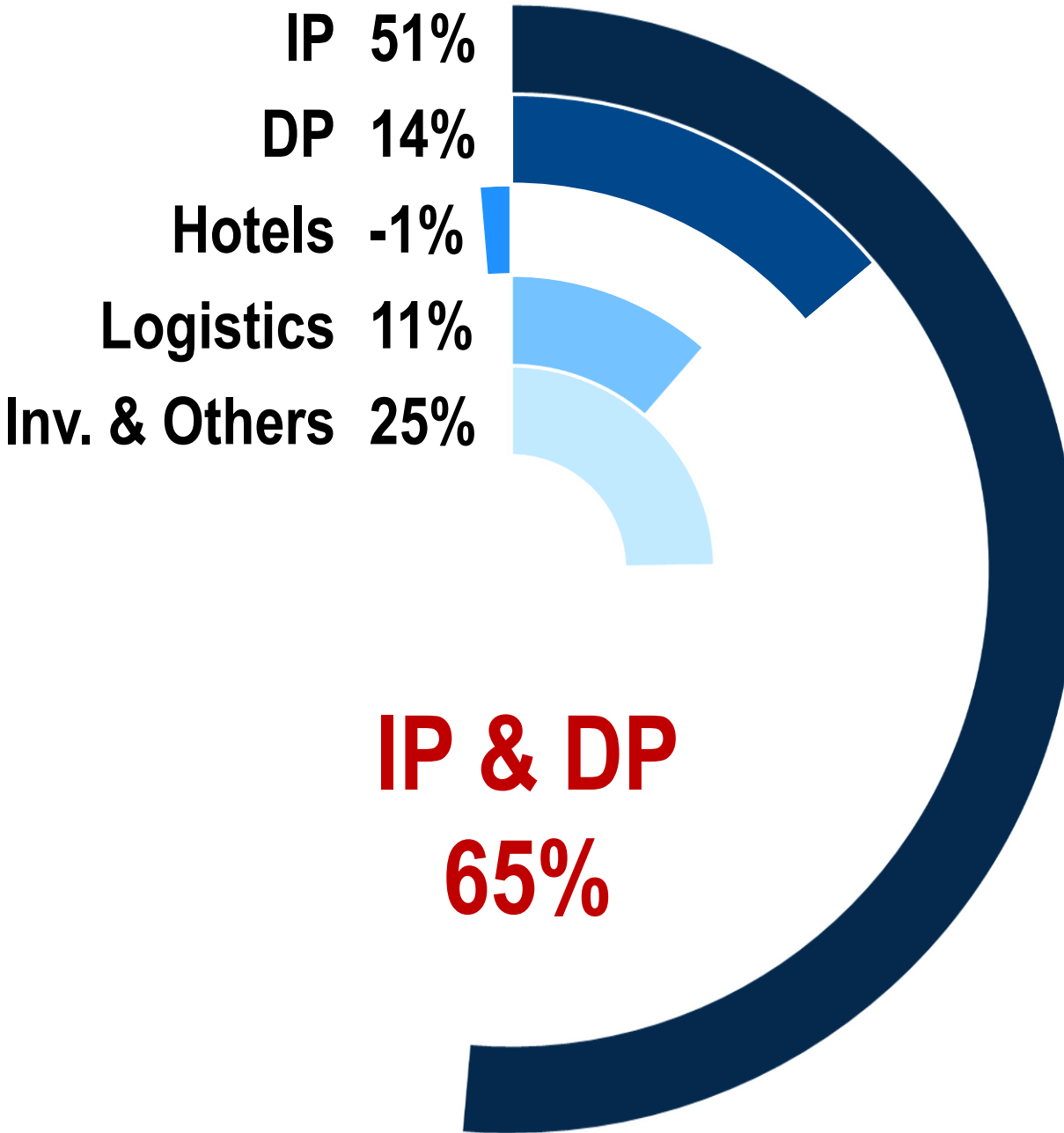
Total Assets 1H22:\$242.6B



Group Revenue 1H22:\$8.2B



Operating Profit 1H22:\$3.5B



Financial Highlights

- 1H22 Business Curtailed by COVID-19
- Group Revenue: -33% to \$8.2B
 - Negative: DP bookings & IP Contribution
 - Positive: Logistics & Investments
- UNP +\$788M Despite Impairment of \$2.5B on DP
- Interim DPS \$0.20

HKD Million	1H22	1H21	YoY Chg.
◆ Group Revenue	8,209	12,337	-33%
Operating Profit	3,479	4,301	-19%
Underlying Net Profit / (Loss)*	428	(360)	+219%
Attributable IP Revaluation (Deficit) / Surplus After Taxation	(421)	116	-463%
Profit Attributable to Equity Shareholders	57	1,038	-95%
Earnings / (Loss) Per Share (HK\$)			
- Attributable to Equity Shareholders	0.02	0.34	-94%
- Underlying*	0.14	(0.12)	+217%
Dividend Per Share (HK\$)	0.20	0.20	Flat

*Underlying Net Profit / (Loss) – Excl. IP Revaluation Surplus/ Deficit & Exceptional Items

Strong Balance Sheet

- Total Equity \$162B (-3% from Dec 21)
- Net Debt Decreased by \$2.3B from Dec 21
- Long Term Investments
 - \$45.6B* Liquid Listed Equities MV
 - \$0.9B Div. Income Booked to P&L

*Market Value as at 30 Jun 22

HKD Million	30 Jun 22	31 Dec 21	% Chg.
Total Assets	242,629	253,700	-4%
Investment Properties	74,799	76,525	-2%
Other Long Term Investments	54,825	52,902	+4%
Net Debt	10,877	13,186	-18%
Net Debt to Total Equity	6.7%	7.9%	-1.2 ppt
Total Equity	161,950	166,377	-3%
Shareholders' Equity	157,635	162,020	-3%
Net Asset Value per Share (HK\$)	51.58	53.02	-3%

Agenda

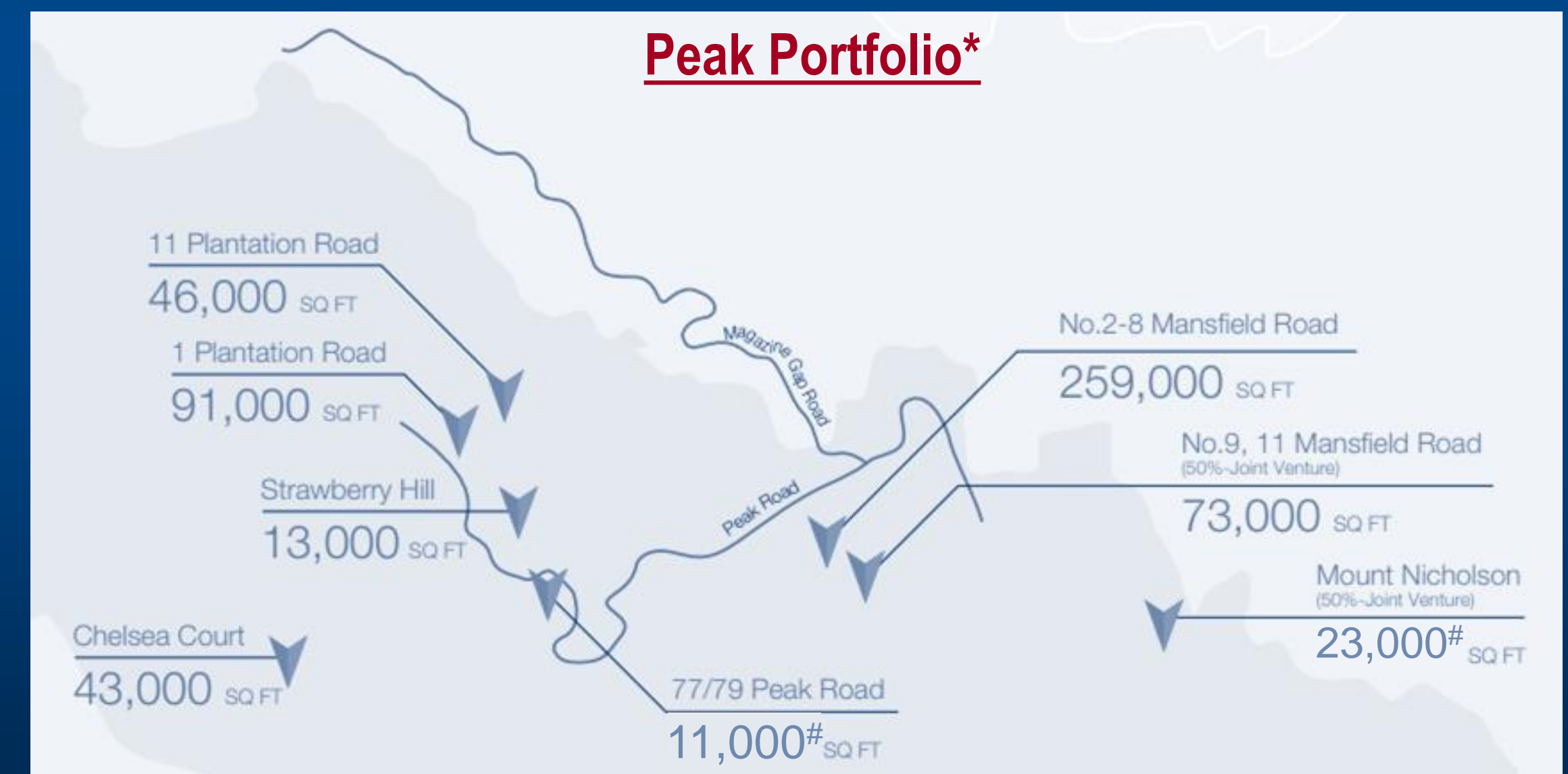
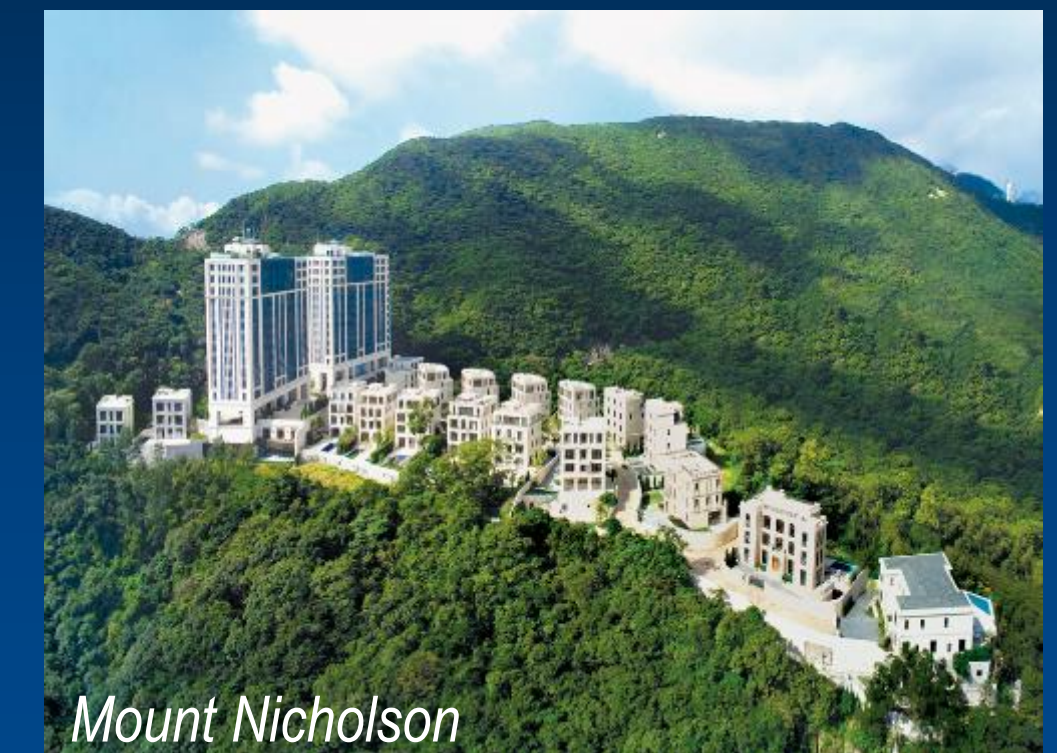
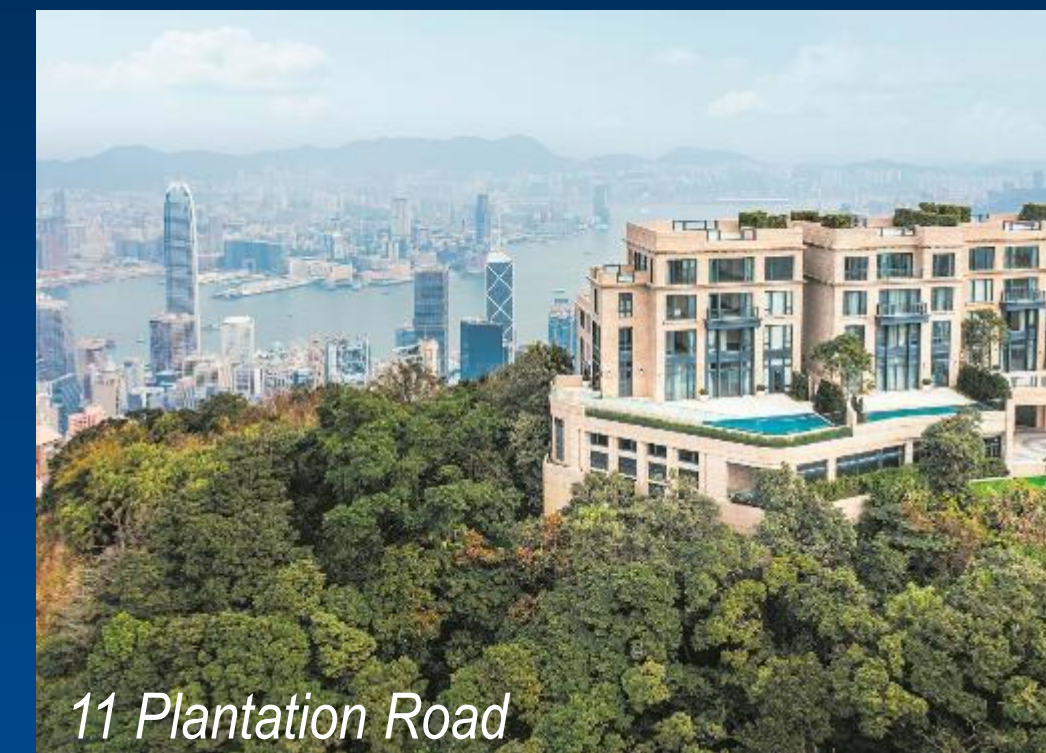


Hong Kong Properties

Premium Landbank

- HK Land Bank*: 3.0M s.f. (GFA)
 - Luxury & Exclusive – Peak: 0.6M s.f.
 - Kowloon Tong Project: 0.4M s.f.
 - Kowloon East Portfolio: 2.0M s.f.
- 1H22 Contracted Sales*: \$0.3B (-95%)
- Net Order Book*: \$0.3B (Dec 21: \$0.6B)

*On Attributable Basis



[#] Net of Recognized Sales (As at 30 Jun 22)

Agenda

Hong Kong
Properties

Mainland
Investment
Properties

Hotels

Logistics
Infrastructure

Mainland Development Properties

Shifted Dynamics Against Developers

- Pandemic Drastically Slowed Down Selling Activities & Construction
 - Particularly in Suzhou, Shanghai & Beijing
- Market Illiquidity Magnified Developers Funding Pressure
- Weakened Demand Psychology in Vicious Circle

1H22 Contracted Sales*

Sales	RMB 2.3B	-60%
GFA	78,000 s.m.	-64%
ASP	RMB 29,000 psm	+16%

2022 Sales Target*


2022 Sales Target	RMB 9B
Sellable Resources	0.8M s.m.

*Inclusive of JVs & Associates on an Attributable Basis

1H22 Operating Matrix

- Recognitions mainly from Suzhou & Hangzhou
- MLDP Landbank Fell to 1.9M s.m
- 2022 Target Completion: 0.7M s.m
- Net Order Book: RMB 14.8B or 0.5M s.m

1H22 Operating Matrix*



Revenue	\$4,991M	-29%
Operating Profit	\$609M	-44%
Operating Margin	12%	-3 ppt
Completed GFA	244,600 s.m.	+4%
Recognized GFA	159,200 s.m.	-22%

*Inclusive of JVs & Associates on an Attributable Basis



Hong Kong
Properties



Mainland
Development
Properties



Hotels



Logistics
Infrastructure

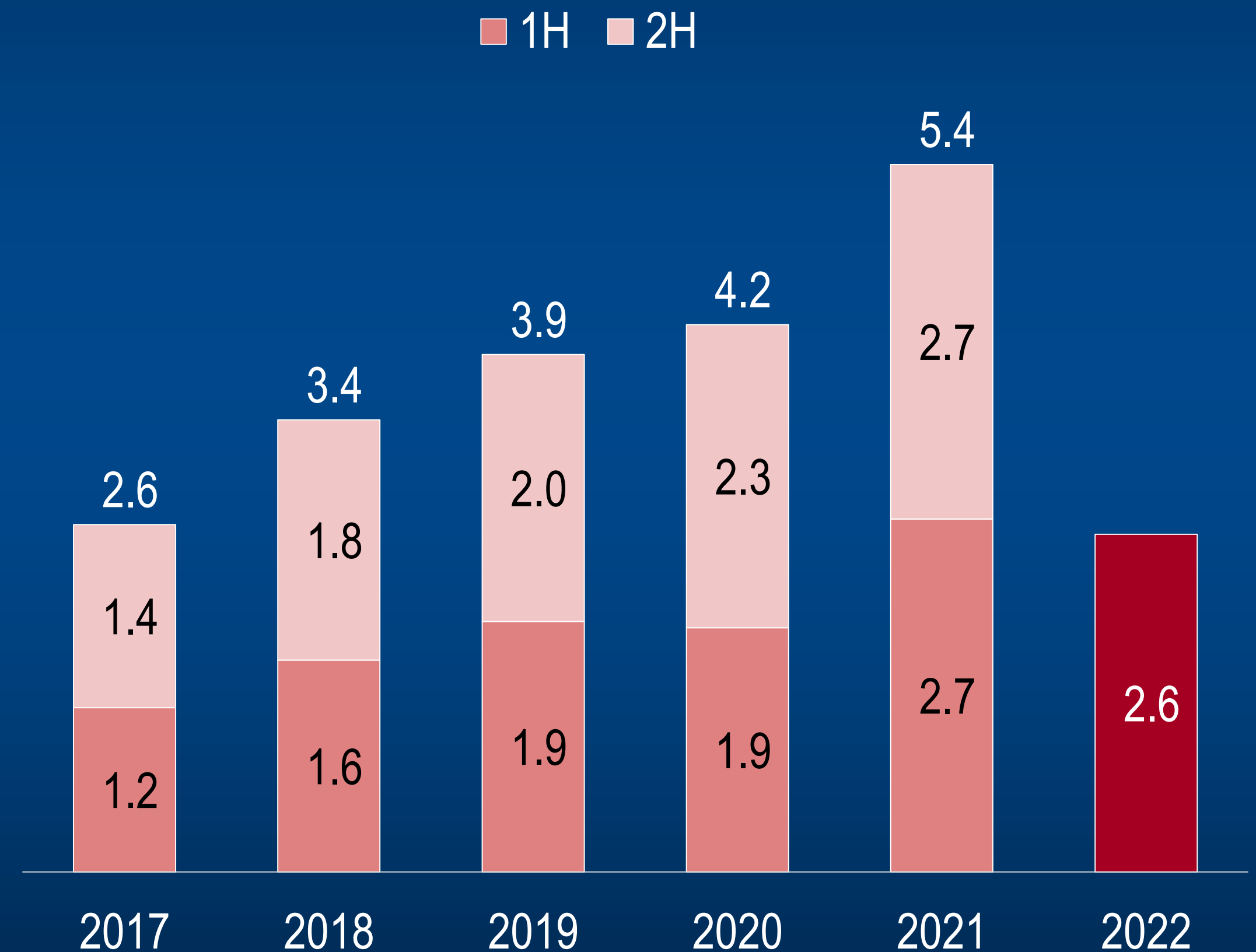


Mainland Investment Properties

COVID Control & Flagging Economy

- Shanghai Lockdown & COVID Control Hurt Economy
- First Reversal of MLIP Revenue in Recent Years
- Retail: Cautious Consumers Portray Slower Recovery
- Office: Stagnant Demand & Oversupply

Mainland IP Revenue (HKD Billion)



IFS – Top Productivity Nationwide

- Comprehensive Tenant Mix, Top Choice for Shoppers
- Double-digit Positive Retail Rental Reversion
- Sales & Turnover Rent Affected under Covid
- Office Occupancy & Rent Under Pressure



Occupancy (30 Jun 2022)	CDIFS	CSIFS
Retail Occupancy	94%	98%
Office Occupancy	80%	69%



Hotels

Unfavourable 1Q

- Domestic Travel Curtailed by Covid & Lockdowns
- Recovery since 2Q has been Sporadic, Gradual & Unpredictable
- Niccolo Hotels Continued Outperformance in Revenue Yield among Comp. Set



Since 2015

Award-winning,
Contemporary Chic

5 Owned/Managed
in HK & Mainland



Since 1970s

Business Travel Brand

11* Owned/Managed
in HK, Mainland & Philippines

*Marco Polo Changzhou (a Managed Hotel) Closed in Feb 22

Agenda

Hong Kong
Properties

Mainland
Development
Properties

Mainland
Investment
Properties

Hotels

Logistics Infrastructure

- Cargo Volume in South China Increased
- Yet, HK Lost Volume & Market Share Despite Business Mix Improved
- DCB was the Out-Performer
- Challenges:
 - Macro Uncertainties & Regional Competition
 - Global Restructuring of Supply Chains

Modern Terminals (1H22)

Revenue \$1,540M (+13%)	Operating Profit \$394M (+42%)		
Throughput* (million TEUs)	1H22	vs 1H21	vs 1H19
HK	2.3	-8%	-8%
DCB [#]	1.0	+29%	+57%
SCT [#]	2.9	-3%	+1%
Total	6.2	-1%	+3%

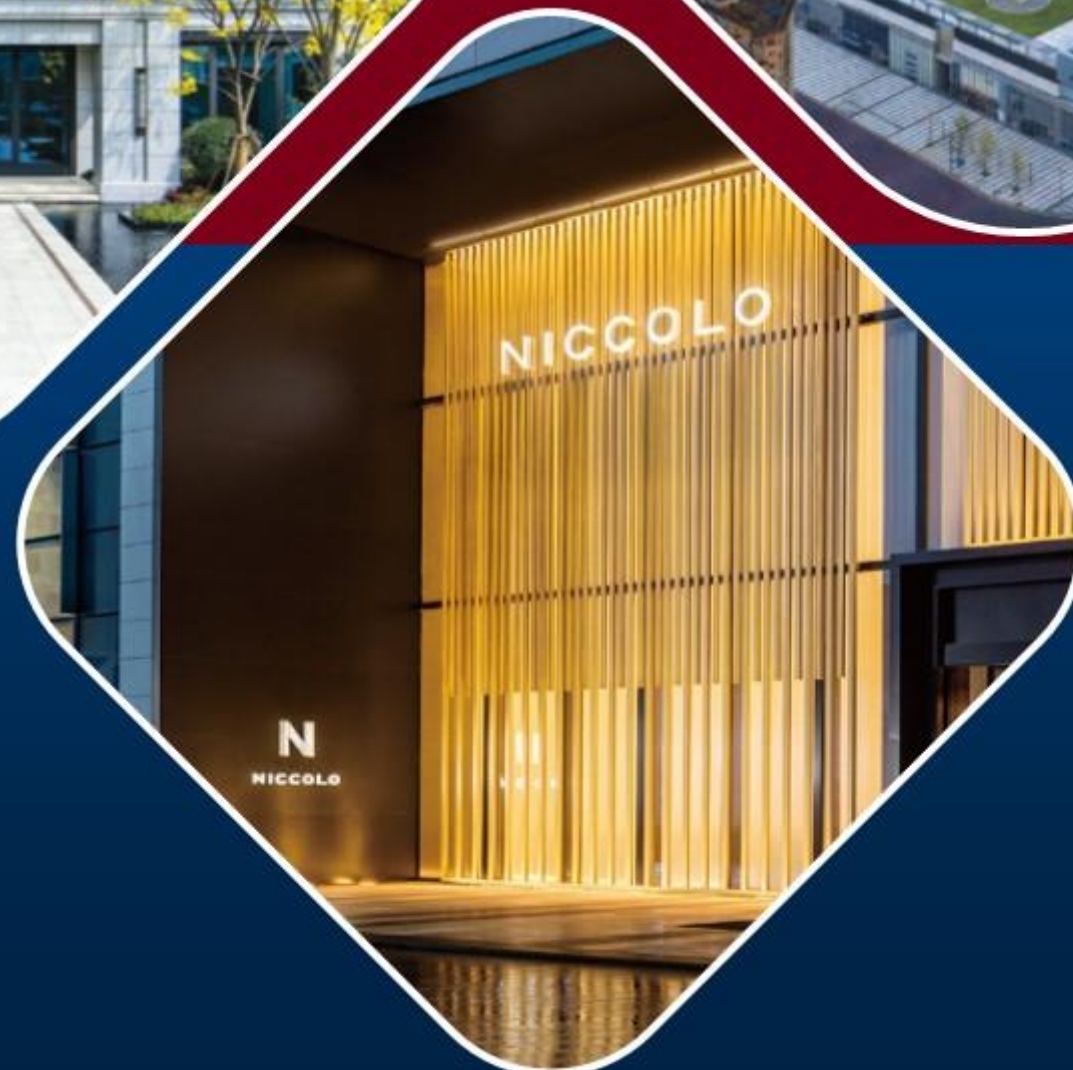
Hong Kong Air Cargo Terminals Ltd (HACTL) [#]

Total Throughput	0.8M Tonnes (-10%)
------------------	--------------------

*Total Throughput (Instead of Attributable);

Market Throughput Kwai Tsing -7%; Shenzhen +7%

[#]DCB: 65%-owned; SCT: 20%-owned; HACTL: 20.8% owned

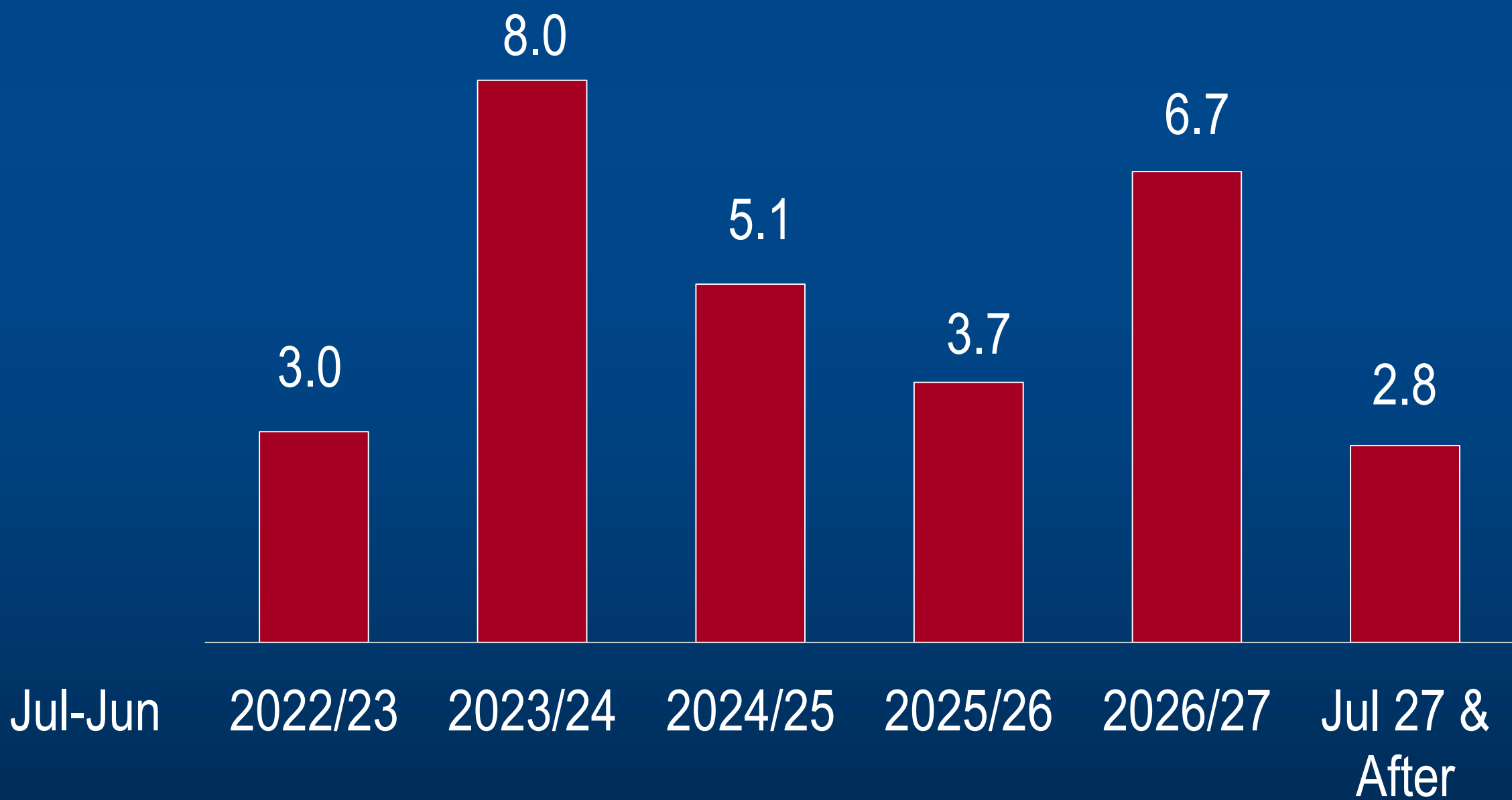


Financial Management

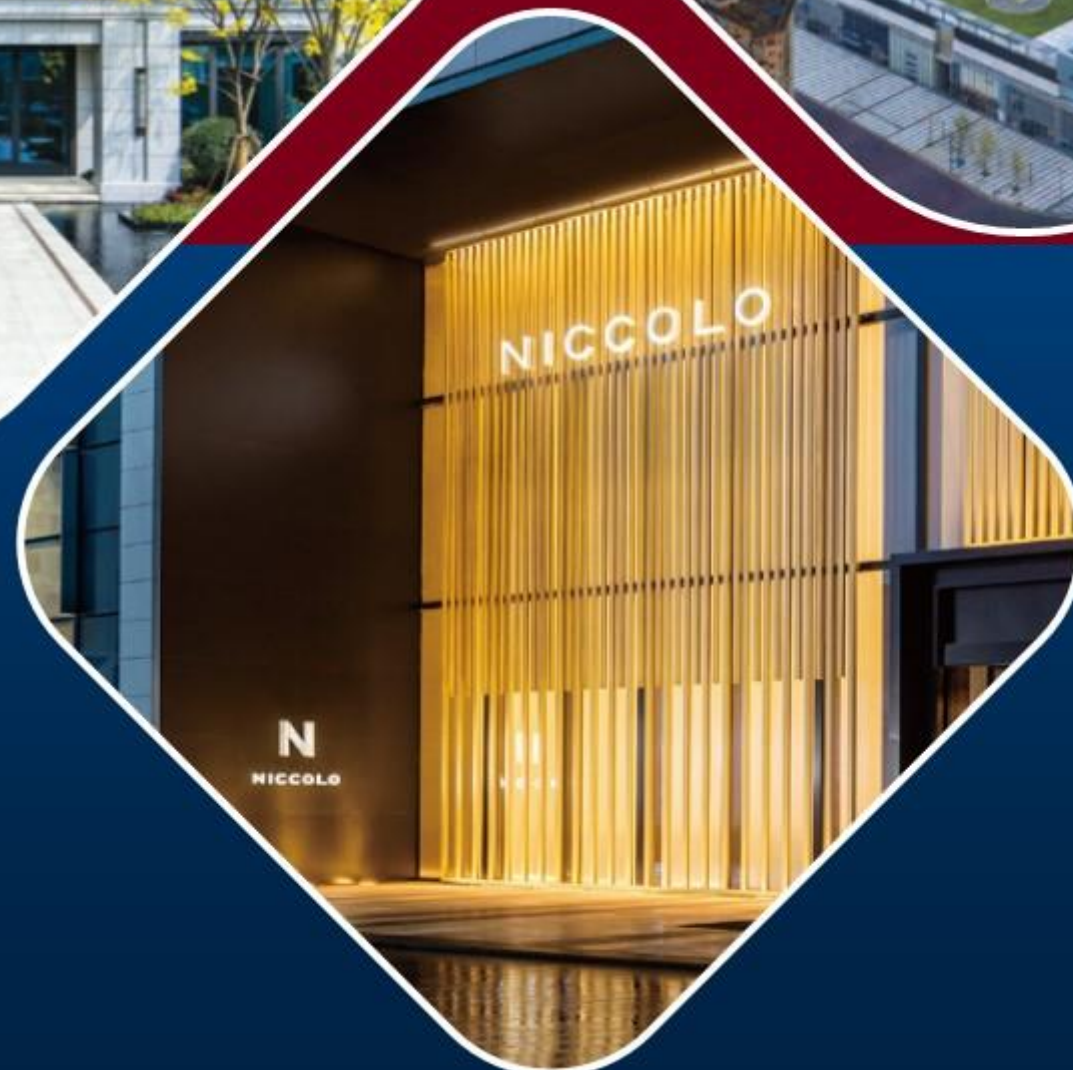
- Net Debt Down to \$10.9B (Dec 21: \$13.2B)
- Gearing Down to 6.7% (Dec 21: 7.9%)
- Interest Cover: 11.5x
- Average Interest Cost: 2.1% (Blend of HKD & RMB)

Debt Maturity (HKD Billion)

Total: \$29.3B (As at 30 Jun 22)



Project Pipeline



HK Prop

- 1 Plantation Road
- Kowloon Tong Site
- Kai Tak Site (30%-JV)

MLIP

- CSIFS Tower 2
 - Prestigious High-rise Apt
 - Park Hyatt Plus Another Hotel to be Announced

Outlook



- **Uncertain Global Economy:**
 - Quantitative Tightening, Interest Rate Hikes, Inflation Risk & Geopolitical Tension
 - Economic & Political Fundamental Paradigm Shift Adds Fuel to Inflation Fire
- **Mainland China:**
 - Global Supply Chains Restructuring May Weaken Demand for China's Production & Logistics Capacity
 - Immense Challenges; All Eyes on 20th National Congress
- **HK:**
 - Reconnection with the World & the Mainland is the Key
 - Yet, Cannot be Spared from Macro Uncertainties

Sustainability



ESG Recognitions

- Constituent of Hang Seng Corporate Sustainability Index and Maintains a “AA” Sustainability Rating
- Constituent of Hang Seng ESG 50 Index as One of the Top 50 ESG leaders in HK
- CSR Index Plus Mark
- 10 Years Plus Caring Company Logo
- Social Capital Builder Logo Award
- Named 2nd Top Donor by The Community Chest for Two Consecutive Years (2020/2021 & 2021/2022), Recognising Wharf’s Efforts to Help Individuals & Families in Financial Hardship during Covid



Hang Seng Corporate
Sustainability Index
Series Member 2021-2022



SEHK0004





- LEED Platinum – Chengdu IFS, Changsha IFS
LEED Gold – Wuxi IFS, Shanghai Wheelock Square



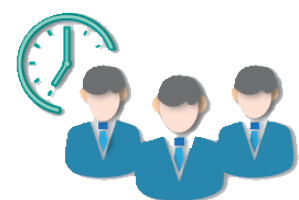
- EarthCheck Gold Certified – Niccolo Chengdu
EarthCheck Silver Certified – Niccolo Changsha, Niccolo Chongqing, Marco Polo Wuhan



- Reduced Scope 1 CO₂ Emissions* by 25%



- Reduced General Refuse to Landfills* by 38%

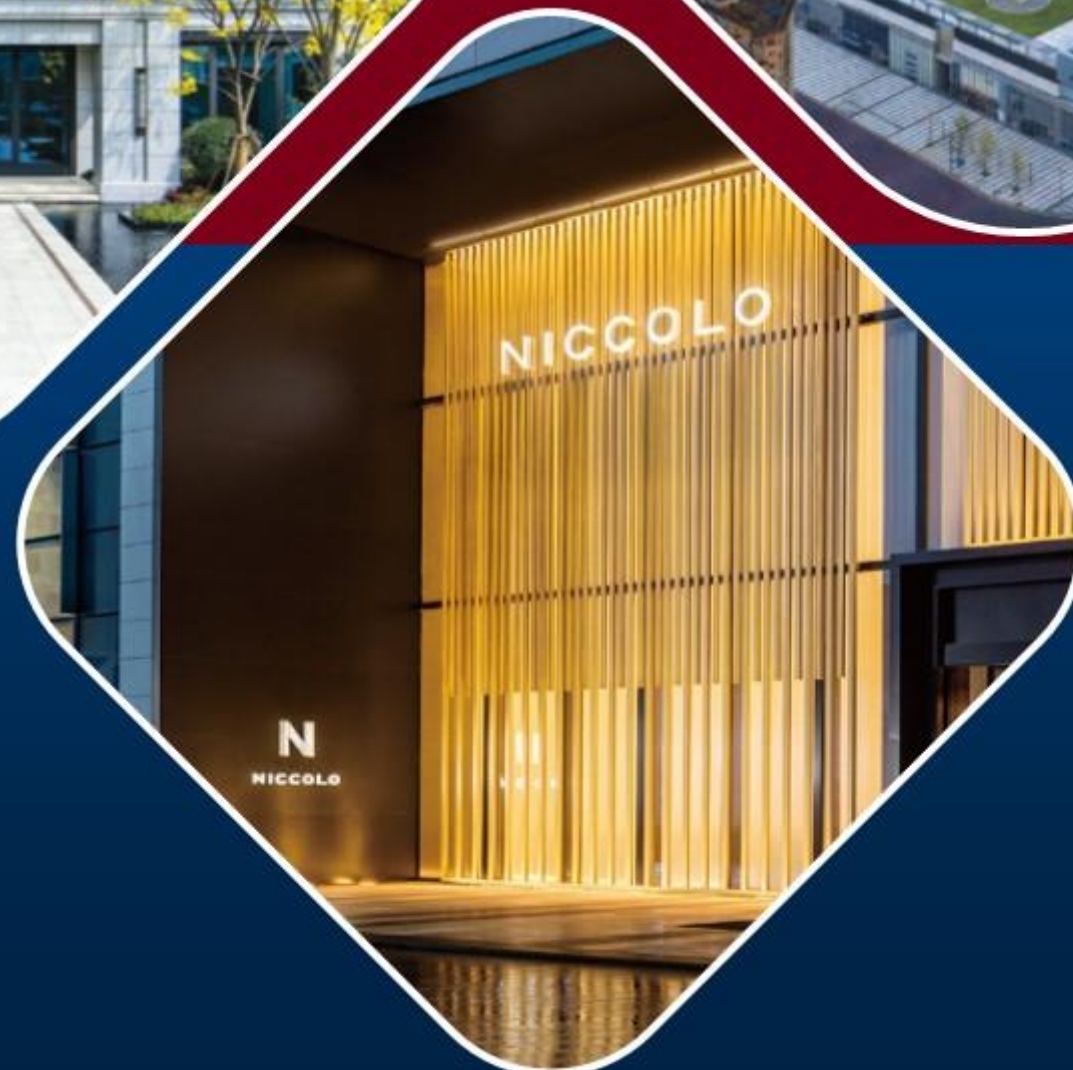


- Total 141,987 Hours of Training Provided to the Employees in 2021



- Project *WeCan* Benefitted 82 Schools of 80,000 Students

* FY2021 Performance Compared with FY2019



Appendix

Summary of HK Properties

Portfolio	Usage	Status	Locations	Attributable GFA (s.f.)
1. Peak Portfolio	Residential	Development	No. 2-8 Mansfield Road	259,300
		Planning	No. 9,11 Mansfield Road (50%-JV)	72,500
		Sales	Mount Nicholson (50%-JV)	23,000
			77/79 Peak Road	11,000
		Lease	Chelsea Court	43,000
			Strawberry Hill	13,000
			11 Plantation Road	46,300
		Redevelopment	1 Plantation Road	91,000
			Sub-total	559,100
2. Kowloon East Portfolio	Industrial	Redevelopment	Kowloon Godown*	1,032,000
	Residential	Development	Yau Tong Bay (15%-JV)	611,400
			Kai Tak (30%-JV)	361,500
			Sub-total	2,004,900
3. Kowloon Tong Portfolio	Residential	Development	Kowloon Tong	436,400
Total				3,000,400

Land Bank as at 30 Jun 22 (Net of Recognised Sales)

* GFA of Existing Building. Proposal to Redevelop the Site for Resi Use with GFA 829,000 s.f. was Approved in Feb 22

Mainland Contracted Sales Breakdown by City

Region	City	Contracted Sales (%)	GFA Sold (%)
Eastern China	Shanghai	6.2%	2.6%
	Suzhou	14.6%	19.9%
	Wuxi	0.6%	6.0%
	Hangzhou	57.7%	38.2%
	Eastern China Sub-Total	79.1%	66.7%
Western China	Chengdu	0.9%	1.4%
	Chongqing	2.5%	6.5%
	Western China Sub-Total	3.4%	7.9%
Southern China	Foshan & Guangzhou	10.4%	19.5%
Northern & Central China	Changsha	6.3%	4.6%
	Beijing and Dalian	0.8%	1.3%

1 Project Launched in 1H22

Projects	City	Attributable Proceeds (RMB M)	Attributable GFA sold (s.m)	Average Price (RMB psm)	Ownership
CSIFS Apartments 長沙國金中心公寓	Changsha	149	3,615	41,300	100%

Mainland Key Projects on Sales in 1H22



Projects	City	Attributable Proceeds (RMB M)	Attributable GFA sold (s.m)	Average Price (RMB psm)	Ownership
Parc Regal 杭州天璽二期	Hangzhou	894	16,000	55,900	100%
Luxurious Mountain View 杭州雍景山	Hangzhou	342	12,800	24,800	100%
Changsha IFS Apartments 長沙國金中心公寓	Changsha	149	3,600	41,300	100%
Shanghai Langting 上海蘭廷	Shanghai	148	2,000	73,600	100%
The Legend 蘇州久尋花園	Suzhou	137	4,700	29,200	100%
Xiangcheng Yuan He Street Lot 77 蘇州天逸翠樾庭	Suzhou	102	4,900	20,900	100%
Rosy Mansion 佛山悅府	Foshan	90	7,500	10,300	50%
Poetic Palace 蘇州荷岸曉風	Suzhou	78	3,100	24,900	33%
Glory Garden 佛山樾園	Foshan	63	4,900	11,600	50%
Guangzhou Central Manor 廣州央璽	Guangzhou	53	1,200	45,400	18%

Mainland DP Land Bank Breakdown by City

Region	City	GFA million (s.m)	% Total
Eastern China	Suzhou	0.37	19%
	Hangzhou	0.33	17%
	Eastern China Sub-Total	0.70	36%
Western China	Chengdu	0.60	31%
	Chongqing	0.03	1%
	Western China Sub-Total	0.63	32%
Southern China	Foshan & Guangzhou	0.15	8%
Northern & Central China	Changsha	0.42	22%
	Beijing	0.04	2%
	Total	1.94	100%

Mainland Key Projects Completion



Projects	Attributable GFA (s.m)
Key Completion in 1H22	
Suzhou Yangcheng Lake Lot 27 蘇州天曦	75,600
Suzhou Villa One (Huayuan Road Lot 78) 蘇州天瀨迥灣雅苑	66,800
Hangzhou Luxurious Mountain View 杭州雍景山	30,600
Chengdu ICC 成都環貿廣場	29,300
Suzhou Loral Mansion 蘇州山水樾瀾庭	24,300
Foshan Rosy Mansion 佛山悅府	18,100
Projected Key Completion in 2H22	
Hangzhou Parc Grande 杭州天薈	61,900
Hangzhou Luxurious Mountain View 杭州雍景山	47,100
Foshan Glory Garden 佛山樾園	46,800
Hangzhou Parc Royale 杭州天璽一期	42,000
Chengdu ICC 成都環貿廣場	39,400
Suzhou Villa One (Huayuan Road Lot 78) 蘇州天瀨迥灣雅苑	35,200
Suzhou Poetic Palace 蘇州荷岸曉風	33,100
Foshan Rosy Mansion 佛山悅府	32,100
Suzhou The Legend 蘇州久尋花園	30,300
Hangzhou Imperial Park 杭州天御	30,100

Mainland IP – Different Series

Times Square

Property	Project Nature	Total GFA * (s.m.)	Year of Completion
Times Square			
Chongqing **	O/R	55,000	2004
Dalian**	R	17,000	2009
Marco Polo Wuhan**	H	38,000	2008
Shanghai IPs			
Times Square	R/O/S.A	90,000	2000
Wheelock Square	O/R	111,000	2010

R = Retail; O = Office; S.A = Serviced Apartments; H = Hotel

*Total Development Area, Excl. Basement Area & Carpark

**Gross Area & Net of Recognized Sales

IFS & Times Outlets

Property	Project Nature	Total GFA * (s.m.)	Year of Completion
Mixed-use IFS Complexes			
Chengdu	R/O/S.A/ H	603,000	2013-2016
Chongqing**	R/O/H	269,000	2017
Changsha	R/H	284,000	2018
Wuxi	O	189,000	2014
Times Outlets			
Chengdu	R	63,000	2009
Changsha	R	72,000	2016

Niccolo (Since 2015)

Hong Kong	Mainland
<ul style="list-style-type: none"> – The Murray, Hong Kong, a Niccolo Hotel* 	<ul style="list-style-type: none"> – Niccolo Chengdu – Niccolo Changsha – Niccolo Chongqing[#] – Niccolo Suzhou*

Marco Polo (Since 1970s)

Hong Kong	Mainland ⁺	Philippines
<ul style="list-style-type: none"> – Marco Polo Hongkong Hotel* – Gateway Hotel* – Prince Hotel* 	<ul style="list-style-type: none"> – Marco Polo Parkside, Beijing[^] – Marco Polo Wuhan – Marco Polo Xiamen[^] – Marco Polo Lingnan Tiandi, Foshan[^] – Marco Polo Jinjiang[^] 	<ul style="list-style-type: none"> – Marco Polo Ortigas, Manila[^] – Marco Polo Plaza, Cebu[^] – Marco Polo Davao[^] (Suspended operation since 15 Jun 2020)

*Owned by WREIC; [#]50%-owned; [^]Owned by Third Party

Note: Marco Polo Changzhou (a Managed Hotel) Closed in Feb 22

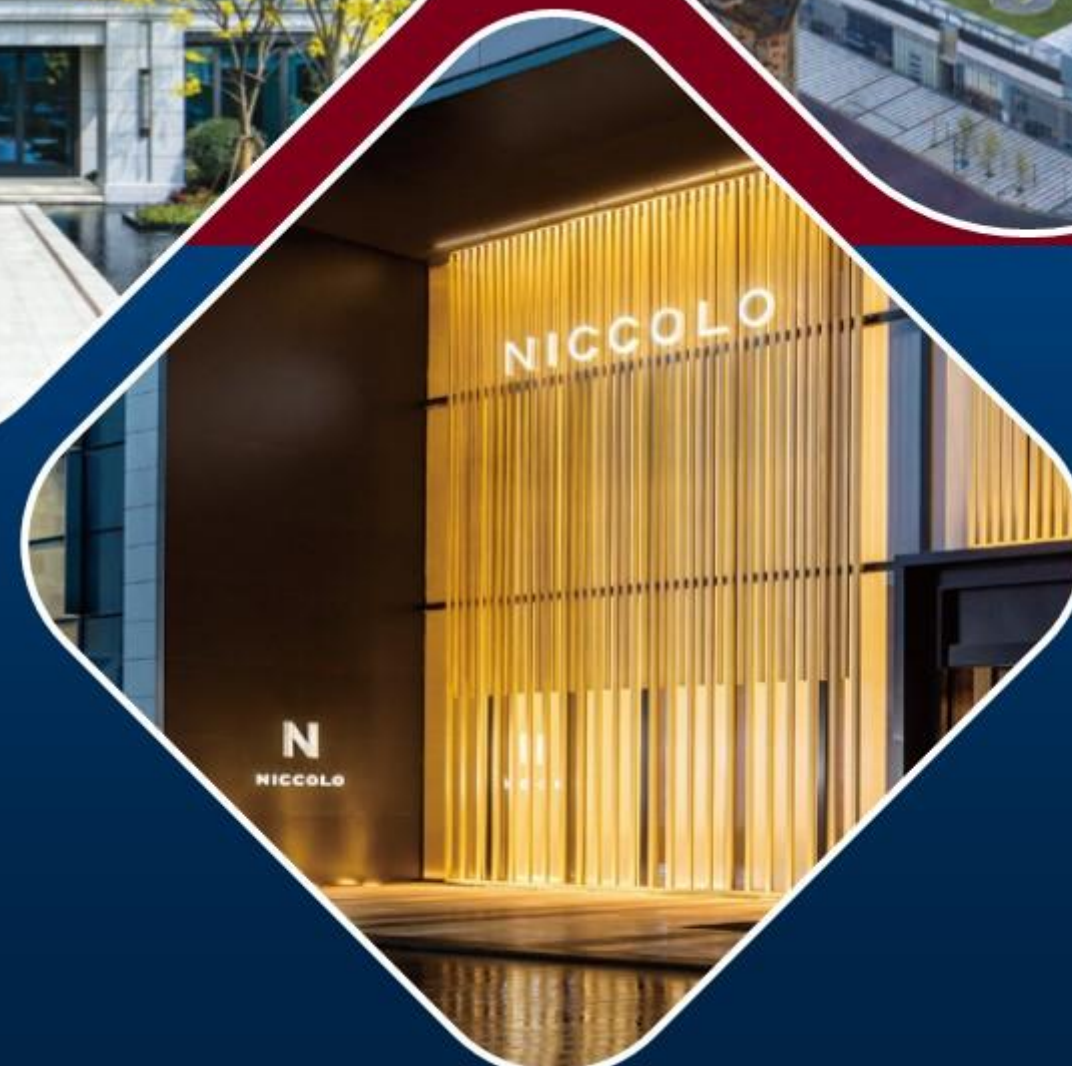
Overview of Application of Funds

Major Capital & Development Expenditure

HKD	1H22 (Actual)	2H22 (Projected)
Hong Kong Properties	1.4B	3.5B
Mainland China IP	-	0.4B
Mainland China DP	1.1B	2.8B
Others	0.1B	1.1B
Total	2.6B	7.8B

Thank You

Covid End Game Unknown



End of Presentation

The Wharf (Holdings) Limited [HKEx Stock Code: 0004.HK]

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