

FY2024 ANNUAL RESULTS Year Ended 30 June 2024

ANALYST PRESENTATION
Sep 2024

豐盛生活 生活豐盛



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Business Segments



FSE Lifestyle Services Limited

(Stock code: 331)

100%

100%

100%



(Property & Facility Management Services, and Sales & Leasing)





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International Property Management



City Essential Services

(Cleaning & Pest Control)

Waihong



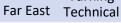
(Technical Support & Maintenance)





(Insurance

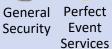
Solutions)



(Systems Security, Guarding & Event Services)









Nova

(Environmental Solutions)



FSE Environmental Solutions



(E&M Engineering Services)



FSE Engineering Majestic Engineering Young's Engineering



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1. Financial Results

- 1.1 Summary
 - Turnover \$8,448M ↑9%
 - Reported earnings \$501M ↓4%
 - Core earnings \$475M 个13%
 (excluding grants & COVID-related works)



1.2 Earnings Analysis

	Jun 2024 \$'M	Jun 2023 \$'M	Change \$'M	Change %
Reported earnings	501.1	522.9	(21.8)	(4.2%)
Excluding:				
Government grants	(25.8)	(77.0)	51.2	
COVID-related works	(0.2)	(26.8)	26.6	
Core earnings	475.1	419.1	56.0	13.4%





2. Segmental Results*



Property & Facility Management

- Turnover \$664M ↓6%
- Reported earnings \$104M ↓23%
- Core earnings \$81M 个17% (excluding grants & COVID-related works)



^{*} Including unallocated corporate expenses

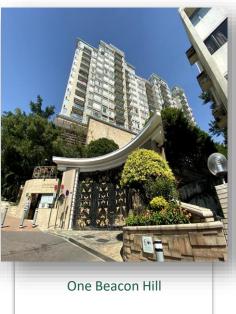


Property & Facility Management Segment Urban/IPM/Kiu Lok



Over 300 property and facility management contracts











b)

City Essential

- Turnover \$4,459M 个18%
- Reported earnings \$215M 个3%
- Core earnings \$215M 个17% (excluding grants & COVID-related works)







		FY2024 Turnover (\$'M)	FY2023 Turnover (\$'M)	% Changes
City Essential (CITES)				
C	Cleaning & pest control	2,350	1,731	36%
×	Insurance solutions	114	110	4%
25	Technical support & maintenance	1,060	963	10%
0	Environmental solutions	304	329	(8%)
00	Systems security, guarding & event	631	634	-
Total		4,459	3,767	18%



(i) Cleaning & Pest Control - Waihong



Over 320 cleaning service contracts



MTR - Stations, Tracks & Tunnels and Depots



Hong Kong Airport



Hong Kong Children's Hospital



KAI TAK AIRSIDE

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Over 3,800 insurance solutions contracts



The Hong Kong Management Association



Citybus Limited



Macau Grand Prix

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(iii) Technical Support & Maintenance - Far East/Turning



Over 3,400 technical support and maintenance service contracts









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(iv) Environmental Solutions – FSE Environmental Solutions



Over 1,000 environmental solutions contracts



Lyric Theatre Complex
Sea Water
Electro-chlorination System –
Environment Solutions



Kai Tak Sports Park
Water Feature System –
Environment Solutions



EV Charger at
The Paramount –
Smart Solutions



Diocesan Girl's School – Green Solutions

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Over 550 security guarding, systems & technologies and event services contracts





New World Properties



Kai Tak Sports Park



FSE Related Projects



(v) Systems Security, Guarding & Event Services – General Security/Perfect Event









HKJC Racecourses

HKCEC

Outdoor Events

Music Concerts









Property Sale Events



c) E&M

- Turnover \$3,325M 个1%
- Reported earnings \$182M 个1%
- Core earnings \$179M 个8% (excluding grants)



E&M Segment

FSE Engineering/Majestic/Young's



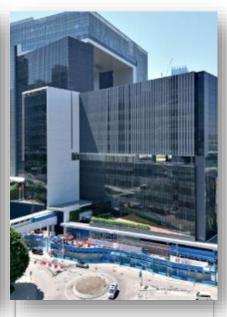
Over **130** E&M services contracts



Kwu Tung North Area 24, Jockey Club Road



District Court at Caroline Hill Road



Legislative Council Complex



上海市黃浦區尚賢坊



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Property & Facility Management

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City Essential

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E&M

- Turnover \$3,325M 个1%
- Reported earnings \$182M ↑1%
- Core earnings \$179M 个8% (excluding grants)

Total dividend per share \$0.438* and a dividend payout ratio 40%

*Final: \$0.214 per share (Interim: \$0.224 per share)







3. Market Position 🍇 1 🥻 - Frost & Sullivan Report (Sep 2024)

		Industry	Market Share (%)
Property & Facility Management (Note 1)	UP	Residential	5.8%
	K	Non-Residential	6.5%
		Carpark	4.9%
City Essential	C	Environmental Hygiene	13.5%
	*	Local Insurance Broker	2.0%

Note 1: Excluding developer's management companies





3. Market Position 🍇 2 🥻 - Frost & Sullivan Report (Sep 2024)

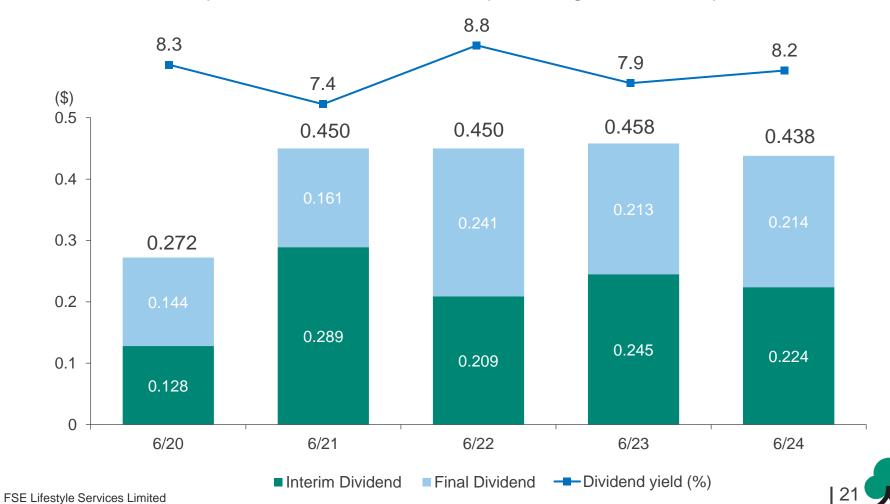
		Industry	Market Share (%)
City Essential	•	Security Guarding	2.2%
E&M	€	E&M Engineering	6.0%



4. Dividend History

Steady Returns to Shareholders

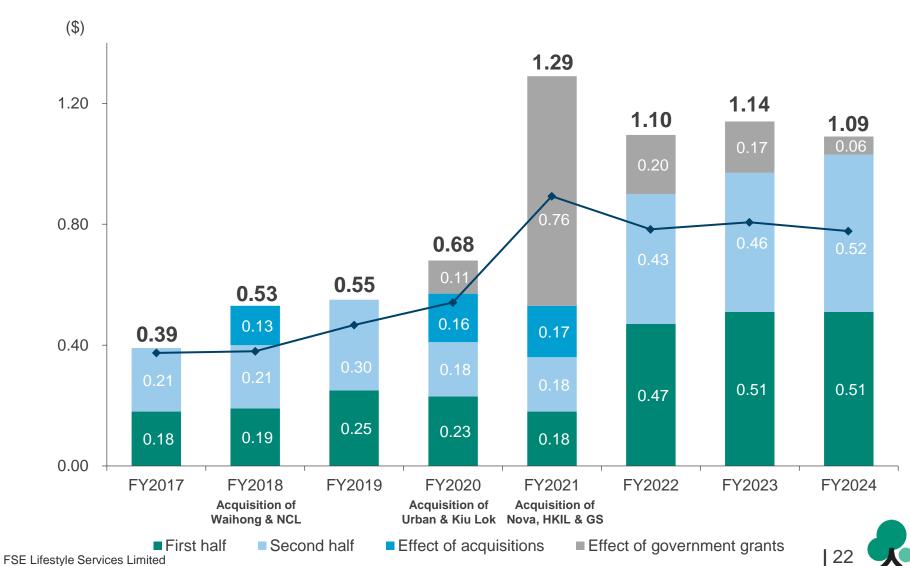
Total dividend per share since IPO \$2.798, representing 102% of IPO price



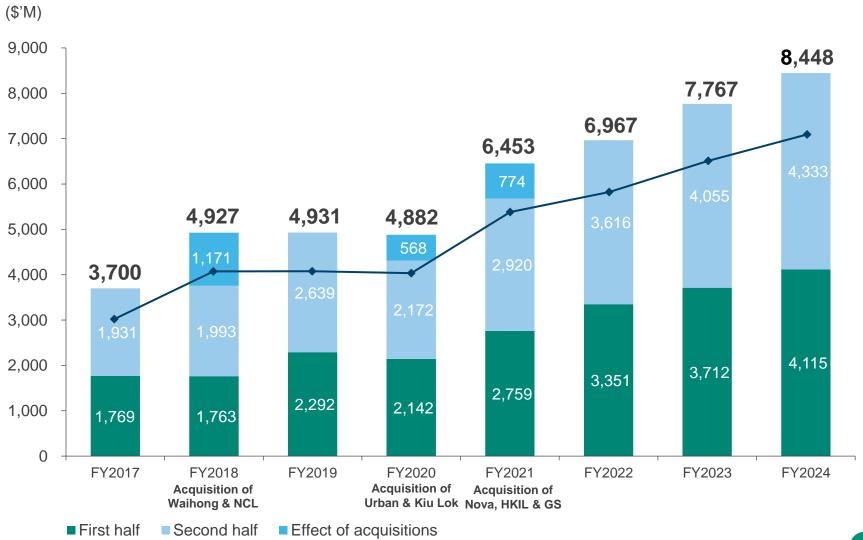


5. 8-Year Achievements

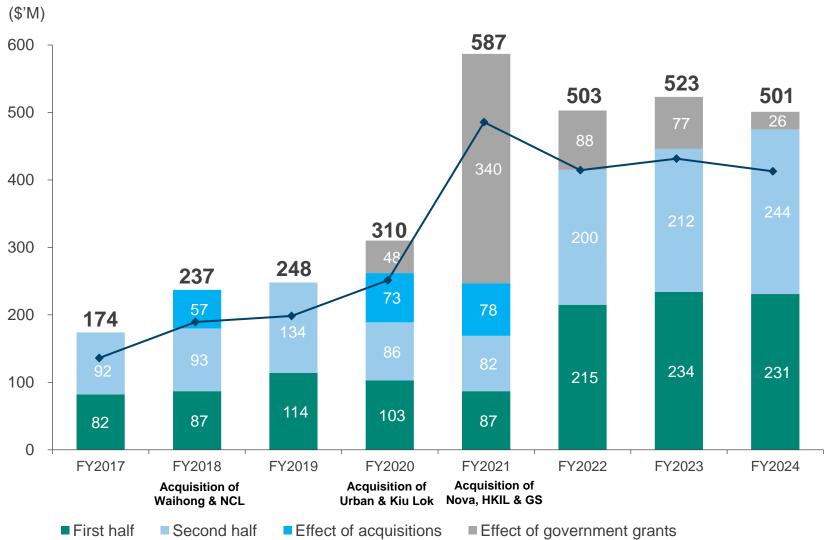
16% CAGR EPS FY2017-24 (Reported)



13% CAGR Turnover FY2017-24 (Reported)



16% CAGR Profit FY2017-24 (Reported)







6. Stock Price Trends

FSE Lifestyle outperformed HSI (Hang Seng Index) and HSPSMI (Hang Seng Property Service and Management Index)

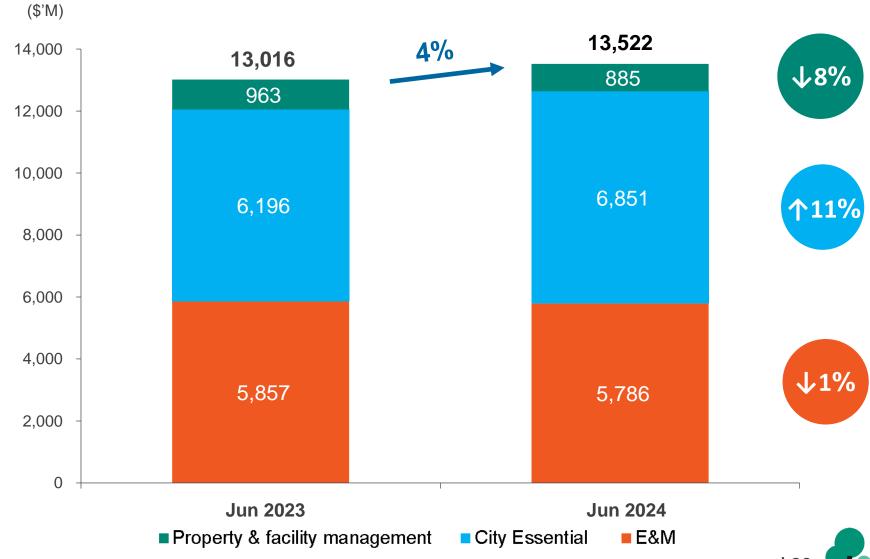








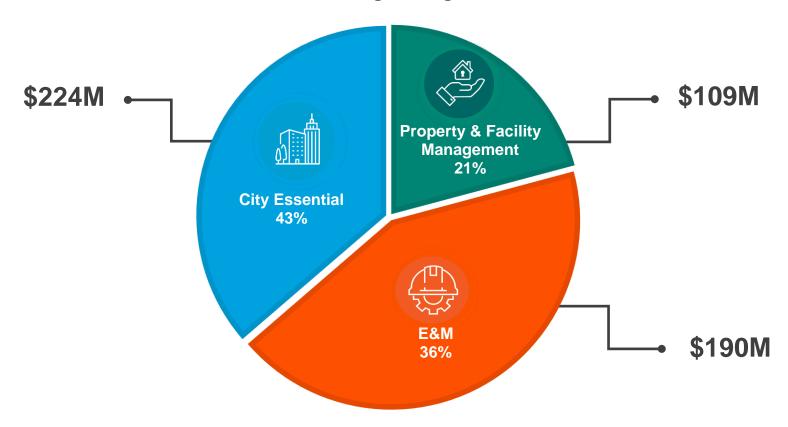
7. Remaining Works





8. Segment AOP* - FY2024

Non-E&M Recurring Businesses remain solid, contribute 64% AOP and growing



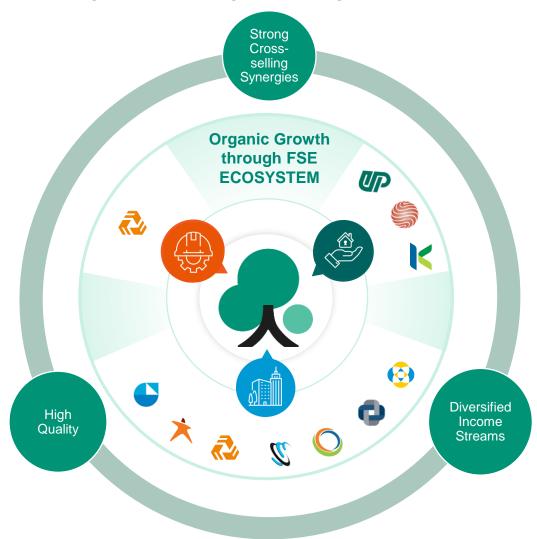
^{*} Based on Net Profit including government grants but excluding unallocated corporate expenses





9. FSE Ecosystem (Multi Service Lines)

With strong cross-selling to drive growth

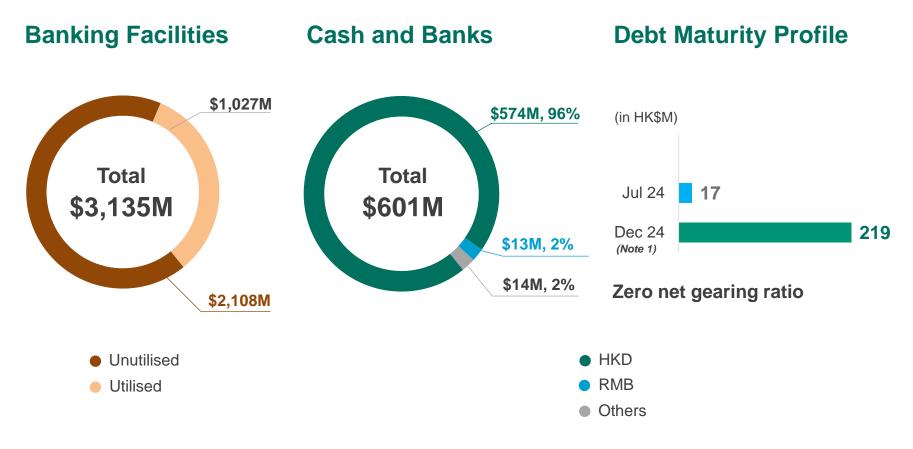




10. Capital Structure

With financial flexibility and funding certainty

As at 30 June 2024



Note 1: The Term Loan \$219M has been renewed to another two years with reduced interest rate in Sep 2024



11. Why Invest In FSE Lifestyle?

Continuous return to shareholders with quality development



Defensive and Resilient Financial Results and Contract Portfolio

- Sustained core earnings \$475m
- New contract award \$7.4b
- Strong order book \$24b
- Healthy remaining works \$13b



High Dividend Yield, Consistent Dividend Policy

- 8.2% yield
- Outperformed HSI and HSPSMI in the past year
- Ranked no.11 in terms of profitability out of 39 listed companies with market cap. from \$2.4b to \$2.7b



11. Why Invest In FSE Lifestyle?

Continuous return to shareholders with quality development



Strong Governance & Capital Management

- High caliber management team
- Effective ESG stewardship
- Zero net gearing
- Ample facilities and liquidity, low funding costs



Continuous M&A

 Proposed acquisition of Beijing Nova, active participant in PRC insurance industry. Plan to consolidate its results on or before Dec 2024. Thereafter, increase the scale and profit of insurance solutions business, providing higher return to the Shareholders

每日為香港各大企業和市民提供優質及專業的一站式綜合管理服務 提供全方位服務 同創建美好未來

Q&A



















大眾安全警衛







