

I am pleased to present the results of the Company and its subsidiaries (the "Group") for the year ended 31st December, 2016 (the "Year") to the shareholders of the Company.

## RESULTS

Profit attributable to owners of the Company for the Year was HK\$6,360.3 million as compared to HK\$7,727.2 million for last year. The decrease in profit for the Year was mainly arising from (i) decrease in attributable net rental income; (ii) decrease in fair value gain on investment properties; (iii) decrease in share of results of associates; despite (iv) increase in attributable property sales profit; (v) gains on disposals of subsidiaries of the Company holding MassMutual Tower, Windsor House and Evergo Tower in Shanghai; (vi) increase in net profit from the segment of the listed investments held-for-trading and treasury products and dividend income from listed equity investment at fair value through other comprehensive income; and (vii) imputed interest income from deferred consideration receivables which were included in investment income, net. Earnings per share for the Year was HK\$3.33 (2015: HK\$4.05).

If the net gain on the major non-cash items of HK\$577.5 million (2015: HK\$4,785.1 million) are excluded, but the net realised fair value loss on disposals of investment properties from the Group and its associates in current year recognised for the Year of HK\$372.7 million (2015: together with their respective deferred tax totaling HK\$154.6 million) is retained and the accumulated realised fair value gain together with their respective deferred tax on disposals of investment properties and stock of properties from the Group and its associates recognised in prior years of HK\$17,248.7 million (including those recognised in properties revaluation reserve) (2015: disposals of investment properties of HK\$13,843.7 million) is included, the Group will have a core profit attributable to owners of the Company for the Year of HK\$23,031.5 million (2015: HK\$16,785.8 million) and a core earnings per share of HK\$12.07 (2015: HK\$8.80), which were both increased by 37.2% to those in the year 2015.

The major non-cash items represented the attributable unrealised fair value gain on investment properties together with their respective deferred tax from the Group and its associates of HK\$577.5 million (2015: HK\$4,785.1 million).

本人欣然向本公司之股東呈報本公司及其附屬公司（「本集團」）截至二零一六年十二月三十一日止年度（「本年度」）之業績。

## 業績

本公司擁有人於本年度之應佔溢利為6,360,300,000港元，相比去年為7,727,200,000港元。本年度之溢利減少主要由於(i)應佔租金收入淨額減少；(ii)投資物業之公平值收益減少；(iii)攤佔聯營公司業績減少；儘管(iv)應佔物業銷售溢利增加；(v)出售持有美國萬通大廈、皇室大廈及位於上海之愛美高大廈之本公司附屬公司之收益；(vi)分類為持作買賣之上市投資及財資產品之溢利淨額增加以及來自通過其他全面收益以反映公平值之上市股本投資之股息收入；及(vii)應收遞延代價所產生之名義利息收入（計入投資收入淨額內）。本年度之每股盈利為3.33港元（二零一五年：4.05港元）。

如撇除主要非現金項目收益淨額577,500,000港元（二零一五年：4,785,100,000港元），但保留本集團及其聯營公司就出售投資物業於本年度確認之已變現公平值虧損淨額372,700,000港元（二零一五年：連同其相關之遞延稅項共154,600,000港元）及計入本集團及其聯營公司就出售投資物業及物業存貨於過往年度確認之累積已變現公平值收益連同其相關之遞延稅項共17,248,700,000港元（包括其確認於物業重估儲備）（二零一五年：就出售投資物業13,843,700,000港元），本集團將錄得本公司擁有人應佔本年度之核心溢利23,031,500,000港元（二零一五年：16,785,800,000港元）及每股核心盈利為12.07港元（二零一五年：8.80港元），兩者均較二零一五年增加37.2%。

主要非現金項目乃指來自本集團及其聯營公司之應佔投資物業之未變現公平值收益連同其相關之遞延稅項共577,500,000港元（二零一五年：4,785,100,000港元）。



## DIVIDENDS

During the Year, the board of directors of the Company (the "Directors" or the "Board") had paid an interim dividend of HK1 cent per share (payment date: 23rd September, 2016) (2015: HK30 cents per share) and special interim dividends of (i) HK\$2 per share (payment date: 20th January, 2016) (2015: HK\$4 per share and HK\$2.6 per share), (ii) HK\$2.1 per share (payment date: 11th August, 2016), and (iii) HK\$3.23 per share (payment date: 1st September, 2016) (2015: HK\$1.2 per share). Subsequent to the Year, the Board had also declared a special interim dividend of HK\$1.36 per share for the Year and special interim dividends of HK\$0.46 per share and HK\$0.18 per share respectively in connection with the completion of the disposal transactions both occurred in February 2017 (payment date: 10th February, 2017). As the Company has paid substantial interim dividends during the Year, the Board has recommended the payment of a nominal final dividend of HK1 cent per share for the Year (the "Final Dividend") (2015: HK1 cent per share).

Subject to shareholders' approval at the forthcoming annual general meeting of the Company to be held on 24th May, 2017 (the "2017 AGM"), dividend warrants will be posted on or about 12th June, 2017 to shareholders whose names appear on the register of members of the Company on 1st June, 2017.

## 股息

於本年度內，本公司董事會（「董事」或「董事會」）已支付中期股息每股1港仙（派息日：二零一六年九月二十三日）（二零一五年：每股30港仙）及特別中期股息（i）每股2港元（派息日：二零一六年一月二十日）（二零一五年：每股4港元及每股2.6港元）、（ii）每股2.1港元（派息日：二零一六年八月十一日）及（iii）每股3.23港元（派息日：二零一六年九月一日）（二零一五年：每股1.2港元）。於本年度後，董事會亦已宣派本年度之特別中期股息每股1.36港元，及有關二零一七年二月完成之出售交易之特別中期股息分別每股0.46港元及每股0.18港元（派息日：二零一七年二月十日）。由於本公司在本年度內已派付優厚之中期股息，董事會建議派發本年度之象徵性末期股息每股1港仙（「末期股息」）（二零一五年：每股1港仙）。

待股東於本公司將於二零一七年五月二十四日舉行之應屆股東週年大會（「二零一七年股東週年大會」）上批准，股息單將於二零一七年六月十二日或前後寄發予於二零一七年六月一日名列本公司股東名冊之股東。

## CLOSURE OF REGISTER OF MEMBERS

For the purpose of ascertaining the members' eligibility to attend and vote at the 2017 AGM, and entitlement to the recommended Final Dividend, the register of members will be closed during the following periods respectively:

## 暫停辦理股東登記手續

為確定股東出席二零一七年股東週年大會並於會上投票的資格，及獲派建議末期股息的權利，本公司將分別於下列期間暫停辦理股東登記手續：

### (1) For ascertaining eligibility to attend and vote at the 2017 AGM:

#### (1) 為確定出席二零一七年股東週年大會並於會上投票的資格：

Latest time to lodge transfers documents for registration 交回股份過戶文件以作登記的最後時限	18.5.2017 16:30
Closure of register of members 暫停辦理股東登記手續	19.5.2017–24.5.2017 (both days inclusive) (包括首尾兩天)

### (2) For ascertaining entitlement to the recommended Final Dividend:

#### (2) 為確定獲派建議末期股息的權利：

Latest time to lodge transfers documents for registration 交回股份過戶文件以作登記的最後時限	29.5.2017 16:30
Closure of register of members 暫停辦理股東登記手續	31.5.2017–1.6.2017 (both days inclusive) (包括首尾兩天)
Record date 記錄日期	1.6.2017

To be eligible to attend and vote at the 2017 AGM, and to qualify for the recommended Final Dividend, all properly completed share transfers documents accompanied by the relevant share certificates must be lodged for registration with the Company's Branch Registrar and Transfer Office in Hong Kong, namely Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than the respective latest time as stated above.

為符合資格出席二零一七年股東週年大會並於會上投票，及獲派建議末期股息，所有填妥的股份過戶文件連同有關股票必須於上述分別指明的最後時限前送達本公司於香港之過戶登記分處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖。



## BUSINESS MODEL AND STRATEGIES

The Group is one of the leading property developers in Hong Kong and its core businesses comprise property investments for rental and property development for sale as well as securities investments.

The Group aims at enhancing value and recurrent revenue of investment properties through conceptualising and implementing redevelopment, renovation works and repackaging programmes for properties as well as actively managing a balanced tenant mix for retail properties to achieve long-term sustainable growth.

The Group specialises in developing high-end and luxury residential properties in prime locations in Hong Kong; and enjoying profit contribution and cash inflow from property sales to achieve long-term sustainable growth and developing a brand name in the market.

In Mainland China, the Group invested in office properties, shopping arcades and hotel business in the prestigious areas to generate stable and recurrent rental income.

Other than property investment and development in Hong Kong and/or Mainland China, the Group is actively grasping the opportunities for acquiring properties in the United Kingdom.

The Group continues its strategy in quality partnerships with property developers or other parties to the extent commercially feasible and beneficial to the Group's development.

Apart from the aforesaid, the Group has conducted variety of securities investment business, such as equity investments, debt investments and other treasury products, with the aim to yield enhancement for treasury management.

The Group believes that the stable rental income from its investment properties, together with the property development and trading as well as securities investment, forms a diversified cash flow stream which allows the Group to weather the cyclicity of the property business.

## 業務模式及策略

本集團是香港主要地產發展商之一，其核心業務包括投資物業的租賃、銷售發展物業及證券投資。

本集團致力透過物業重建、翻新及改造工程以提升旗下投資物業之價值及增加經常性收益。本集團亦積極管理及平衡零售物業租戶組合，以達致長期及可持續增長。

在香港，本集團擅長於優質地段發展高級及豪華住宅物業，使集團能享受來自物業銷售的盈利貢獻和現金流入，從而達致長期性持續增長及於市場上建立品牌。

於中國內地，本集團持有位於優質地區的寫字樓、購物商場及酒店業務之投資，以獲得穩定及經常性租金收入。

除了於香港及／或中國內地的物業投資及發展，本集團正積極物色機會收購位於英國之物業。

本集團秉持其策略，在商業上可行及有利於本集團發展之情況下與發展商或其他人士建立優質夥伴關係。

除上述所指外，本集團亦進行各種證券投資業務，如股本投資、債務投資及其他財資產品，為財資管理謀求增益。

本集團相信，投資物業之穩定租金收入，連同物業發展及買賣以及證券投資形成了多元化的現金流，使本集團能抵禦地產業務之週期性。

## MANAGEMENT DISCUSSION AND ANALYSIS

### Hong Kong Property Investment

Rentals from investment properties continued to be one of the major sources of our income. The overall occupancy rate of the Group's retail portfolio was 94.84% during the Year. The high occupancy rate was attributable to the prime locations of the Group's retail properties.

The average occupancy rate of Windsor House shopping mall from January to August 2016 (i.e. before disposal) was approximately 95.34%.

During the Year, the average occupancy rate of the shops of Causeway Place was approximately 81.36%.

Olympian City 3 (25% interest), the retail mall in The Hermitage residences in West Kowloon, all the shops were fully let out as at 31st December, 2016.

Coronation Circle (15% interest), the retail mall in The Coronation residences in West Kowloon, the average occupancy rate was approximately 63.02% during the Year.

The occupancy rate for the Group's office properties maintained at a high level throughout the Year. During the Year, the average occupancy rates of Harcourt House and Windsor House (for eight-month period before disposal) were approximately 97.03% and 98.02% respectively, bring the approximate occupancy rate of the overall office portfolio to 97.64%.

In January 2016, the Group has disposed the company holding MassMutual Tower (now known as China Evergrande Centre). In September 2016, the Group has also disposed the companies holding Windsor House.

### Hong Kong Property Development

In general, the Group's development projects have been progressing satisfactorily and sales of trading properties has recorded a pleasing results.

One South Lane is located in the Western District and enjoys close proximity to the HKU MTR Station. It is a luxury residential/retail tower with a total gross floor area of around 41,353 square feet which provides 92 residential units. The occupation permit was issued in July 2016. As at 31st December, 2016, 92 residential units were contracted for sales, representing 100% of total units, of which 90 individual purchasers had completed their transactions.

## 管理層討論與分析

### 香港物業投資

投資物業之租金仍然是本集團之主要收入來源之一。本集團之零售物業組合於本年度內之整體出租率為94.84%。高出租率與本集團之零售物業位於優質地段有關。

皇室大廈商場（於二零一六年一月至八月（即出售前））之平均出租率約為95.34%。

於本年度內，銅鑼灣地帶之商舖之平均出租率約為81.36%。

奧海城三期（佔25%權益），位於西九龍帝峯•皇殿住宅之商場，於二零一六年十二月三十一日，所有商舖全數租出。

中港薈（佔15%權益），位於西九龍御金•國峯住宅之商場，於本年度內之平均出租率約為63.02%。

本集團辦公室物業於本年度之出租率維持於高水平。於本年度內，夏慤大廈及皇室大廈（於出售前八個月期間）之平均出租率分別約為97.03%及98.02%，使整體辦公室物業組合出租率達約97.64%。

於二零一六年一月，本集團出售持有美國萬通大廈（現稱為中國恆大中心）之公司。於二零一六年九月，本集團亦已出售持有皇室大廈之公司。

### 香港物業發展

整體而言，本集團各個發展項目進展理想，買賣物業之銷售成績令人滿意。

南里壹號位於西區毗鄰香港大學港鐵站。該項目為一座豪華住宅／零售大樓，總樓面面積合共約41,353平方呎，提供92個住宅單位。於二零一六年七月已獲發入伙紙。於二零一六年十二月三十一日，已訂約出售92個住宅單位，相當於單位總數之100%，當中90位個別買家已完成交易。



## MANAGEMENT DISCUSSION AND ANALYSIS

(Cont'd)

### Hong Kong Property Development (Cont'd)

55 Conduit Road (70% interest) is a luxury residential development in Mid-Levels West with total residential gross floor area of around 87,800 square feet which provides 35 residential units. As at 31st December, 2016, 33 units were contracted for sales, representing 94.29% of total units, of which 29 individual purchasers had completed their transactions.

The Hermitage (25% interest) is one of the Group's joint venture development project in West Kowloon. It comprises 6 residential tower blocks and provides in aggregate 964 residential units and retail properties with a total gross floor area of around 1,095,980 square feet. As at 31st December, 2016, 99.79% of total units were sold.

The Coronation (15% interest) is another joint venture development project of the Group in West Kowloon. It comprises 6 residential tower blocks and provides in aggregate 740 residential units and retail properties with a total gross floor area of around 650,600 square feet. As at 31st December, 2016, 99.86% of total units were sold.

Kwun Tong Town Centre Project (Development Areas 2 and 3) (10% interest) is a joint venture development project of the Group awarded by the Urban Renewal Authority. Its total site area is approximately 234,160 square feet. Total gross floor area of around 1,853,561 square feet will be developed. Foundation work was completed. Excavation and lateral support works and pile cap works are in progress and the whole project is expected to be completed in the first quarter of 2021.

In February 2017, the Group has disposed the companies holding the property development situated at No. 12 Shiu Fai Terrace.

### Mainland China Property Investment

Hilton Beijing (50% interest), having 503 rooms, average occupancy rate was approximately 75.88% for the Year.

Oriental Place (50% interest), a 10-storey office building next to Hilton Beijing, average occupancy rate was approximately 91.82% for the Year.

During the Year, the 79 retail outlets with a total area of approximately 29,000 square feet in Lowu Commercial Plaza, Shenzhen were fully let out. The Group has disposed the companies holding such retail outlets in February 2017.

In June 2016, the Group has disposed the company holding Evergo Tower, an office and shopping complex in Shanghai.

## 管理層討論與分析 (續)

### 香港物業發展 (續)

琥珀 (佔70%權益) 為位於半山區西部的豪華住宅發展項目，總住宅樓面面積合共約87,800平方呎，提供35個住宅單位。於二零一六年十二月三十一日，已訂約出售33個單位，相當於單位總數之94.29%，當中29位個別買家已完成交易。

帝峯•皇殿 (佔25%權益) 為本集團其中一項位於西九龍的合營發展項目。該項目由6座住宅大廈組成，提供合共964個住宅單位及零售商舖，總樓面面積合共約1,095,980平方呎。於二零一六年十二月三十一日，已售出單位總數之99.79%。

御金•國峯 (佔15%權益) 為本集團另一項位於西九龍的合營發展項目。該項目由6座住宅大廈組成，提供合共740個住宅單位及零售商舖，總樓面面積合共約650,600平方呎。於二零一六年十二月三十一日，已售出單位總數之99.86%。

觀塘市中心計劃第二及第三發展區項目 (佔10%權益) 為本集團獲市區重建局批准發展之合營發展項目。地盤面積合共約234,160平方呎，將發展之總樓面面積合共約1,853,561平方呎。地基工程已完成。現正進行挖掘與側向承托工程及樁帽工程。預期整個項目將於二零二一年第一季竣工。

於二零一七年二月，本集團出售持有位於肇輝臺12號之物業發展項目之公司。

### 中國內地物業投資

北京希爾頓酒店 (佔50%權益)，設有503個客房，於本年度之平均入住率約為75.88%。

東方國際大廈 (佔50%權益)，為北京希爾頓酒店側的一幢樓高10層辦公樓，於本年度之平均出租率約為91.82%。

於本年度內，深圳市羅湖商業城79個零售商舖 (面積合共約29,000平方呎) 全數租出。於二零一七年二月，本集團已出售持有該等零售商舖之公司。

於二零一六年六月，本集團出售持有愛美高大廈 (一幢位於上海市之辦公及商場綜合樓) 之公司。

## MANAGEMENT DISCUSSION AND ANALYSIS

(Cont'd)

### Overseas Property Investment

River Court is a Grade A freehold office building situated at 116-129 Fleet Street, London, United Kingdom. It provides a total net internal area of approximately 431,324 square feet, together with certain car parking spaces. It was fully let out as at 31st December, 2016.

In April 2016, the Group acquired 14 St George Street, a Grade A freehold office building located in London, United Kingdom. The building comprises approximately 51,861 square feet of office accommodation arranged over lower ground, ground and four upper floors. It was fully let out as at 31st December, 2016.

In May 2016, the Group acquired a mixed use freehold building located in 61-67 (odd) Oxford Street and 11-14 Soho Street, London, United Kingdom, comprising approximately 55,162 square feet in aggregate. The building provides retail, office and residential accommodation, occupying approximately 33,850 square feet, 13,735 square feet and 7,577 square feet respectively, over lower ground, ground and six upper floors. It was fully let out as at 31st December, 2016.

### Securities Investments

The Group's strategy is to maintain securities investment portfolio for treasury management. The Group's primary objectives when managing capital are to safeguard the abilities of the entities in the Group to continue as a going concern, so that it can continue to provide returns for shareholders of the Company. The Group's strategy for future investments is to invest in a diversified portfolio with attractive yield, good liquidity and issuers from reputable entities, so as to maintain a healthy financial status and grasp every good investment chance.

The gain recognised on securities investments for the Year was HK\$1,075.4 million. Details of the performance of securities investments are disclosed under "Financial Operation Review" of this annual report. The Group will continue to closely monitor its portfolio of securities investments to achieve satisfactory returns.

## 管理層討論與分析 (續)

### 海外物業投資

River Court為一幢位於英國倫敦Fleet Street 116-129號之永久業權甲級寫字樓。River Court提供總室內淨面積約431,324平方呎，連同若干泊車位。於二零一六年十二月三十一日，所有單位均獲承租。

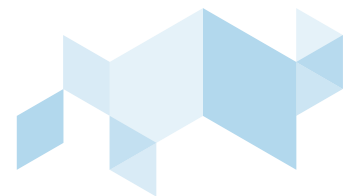
於二零一六年四月，本集團收購St George Street 14號，一幢位於英國倫敦之永久業權甲級寫字樓。該物業由面積合共約51,861平方呎分佈於地下低層、地下及四層上層之辦公場所組成。於二零一六年十二月三十一日，所有單位均獲承租。

於二零一六年五月，本集團收購一幢位於英國倫敦Oxford Street 61-67號（單號）及Soho Street 11-14號之綜合用途永久業權樓宇，面積合共約55,162平方呎。該物業提供零售、寫字樓及住宅單位，分別佔地約33,850平方呎、13,735平方呎及7,577平方呎，由地下低層、地下及六層上層組成。於二零一六年十二月三十一日，所有單位均獲承租。

### 證券投資

本集團的策略是維持證券投資組合的財資管理。本集團管理資本之主要目標為保持本集團之實體持續經營之能力，以確保本集團能為本公司股東持續提供回報。本集團之未來投資策略是投資於具吸引收益率，充分流動性及由信譽良好之發行人發行之多元化投資組合，以保持穩健的財務狀況，抓住每一個良好的投資機會。

本年度證券投資之確認收益為1,075,400,000港元。證券投資表現之詳情在本年報「財務業務回顧」內披露。本集團將繼續密切監察其證券投資組合，以取得令人滿意的回報。



## OTHER INFORMATION AND EVENTS AFTER THE REPORTING PERIOD

### Disposal of a Subsidiary holding MassMutual Tower – Major Transaction

The Group has on 12th November, 2015 entered into an equity and debt transfer agreement in relation to, inter alia, disposal of a wholly-owned subsidiary of the Company that ultimately held the commercial property known as MassMutual Tower (now known as China Evergrande Centre) located in Wanchai, Hong Kong to a subsidiary wholly-owned by Evergrande Real Estate Group Limited (now known as China Evergrande Group), an independent third party (the "Pioneer Time Disposal"). Pioneer Time Disposal constituted a major transaction of the Company under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). Pioneer Time Disposal was completed on 15th January, 2016 at the final consideration of approximately HK\$12,448.3 million. Details of Pioneer Time Disposal were set out in the Company's announcement dated 12th November, 2015 and circular dated 3rd December, 2015.

### Disposal of a Residential Unit of 55 Conduit Road – Connected Transaction

As announced on 21st December, 2015, the Group accepted a tender submitted by Ms. Amy Lau, Yuk-wai, a non-executive director ("NED") of the Company, to purchase a residential unit together with a car parking space of the Group's luxury residential development located in Mid-Levels West, Hong Kong, namely 55 Conduit Road at the purchase price of HK\$124,118,000 (before cash rebate). The transaction constituted a connected transaction of the Company under the Listing Rules. Completion took place on 5th April, 2016.

## 其他資料及報告期末後事項

### 出售持有美國萬通大廈之附屬公司—主要交易

本集團於二零一五年十一月十二日訂立一份股權及債權轉讓協議，內容有關（其中包括）出售一間最終持有位於香港灣仔名為美國萬通大廈（現稱為中國恆大中心）之商用物業之本公司全資擁有附屬公司予獨立第三方—恆大地產集團有限公司（現稱中國恆大集團）之全資擁有附屬公司（「Pioneer Time出售」）。根據香港聯合交易所有限公司證券上市規則（「上市規則」），Pioneer Time出售構成本公司一項主要交易。Pioneer Time出售以最終代價約12,448,300,000港元於二零一六年一月十五日完成。有關Pioneer Time出售之詳情載列於本公司日期為二零一五年十一月十二日之公布及二零一五年十二月三日之通函內。

### 出售琥珀住宅單位—關連交易

誠如二零一五年十二月二十一日發出之公布，本集團接納劉玉慧女士（本公司之非執行董事（「非執行董事」））就認購本集團位於香港半山區西部名為琥珀的豪華住宅發展項目之一個住宅單位連同一個私家車車位提交之標書，認購價為124,118,000港元（扣除現金回贈前）。根據上市規則，該交易構成本公司一項關連交易。該交易於二零一六年四月五日完成。



## OTHER INFORMATION AND EVENTS AFTER THE REPORTING PERIOD (Cont'd)

### Disposal of Subsidiaries holding Windsor House – Major and Connected Transactions

As announced on 23rd December, 2015, the Group has on 23rd December, 2015 entered into sale and purchase agreements, in relation to, inter alia, disposal of the wholly-owned subsidiaries of the Company that ultimately held the property known as Windsor House located in Causeway Bay, Hong Kong to the companies wholly-owned by Mr. Joseph Lau, Luen-hung (“Mr. Joseph Lau”), the then substantial shareholder and controlling shareholder of the Company (the “Windsor Disposal”). Windsor Disposal constituted major and connected transactions of the Company under the Listing Rules and was approved by the independent shareholders of the Company at the special general meeting of the Company held on 2nd February, 2016. Windsor Disposal was completed on 1st September, 2016 and the final considerations had been disclosed in the announcement of the Company dated 5th October, 2016. Details of Windsor Disposal were set out in the announcement of the Company dated 23rd December, 2015 and the circular of the Company dated 15th January, 2016.

### Acquisition of a Property in the United Kingdom

In March 2016, the Group entered into a sale and purchase agreement with an independent third party to acquire a freehold property situated at 14 St George Street, London, United Kingdom at a consideration of GBP121.7 million. Completion of the acquisition took place on 15th April, 2016.

### Acquisition of a Property in the United Kingdom – Discloseable Transaction

As announced on 21st March, 2016, the Group has on 21st March, 2016 entered into a sale and purchase agreement with an independent third party to acquire a freehold property situated at 61-67 (odd) Oxford Street and 11-14 Soho Street, London, United Kingdom at a consideration of GBP182.8 million (before rent top up and allowance for stamp duty land tax of the United Kingdom). The acquisition constituted a discloseable transaction of the Company under the Listing Rules. Completion of the acquisition took place on 20th May, 2016.

## 其他資料及報告期末後事項 (續)

### 出售持有皇室大廈之附屬公司—主要及關連交易

誠如二零一五年十二月二十三日發出之公布，本集團於二零一五年十二月二十三日訂立買賣協議，內容有關（其中包括）出售最終持有位於香港銅鑼灣名為皇室大廈之物業之本公司全資擁有附屬公司予由劉鑾雄先生（「劉鑾雄先生」）（本公司當時之主要股東及控股股東）全資擁有之公司（「皇室大廈出售」）。根據上市規則，皇室大廈出售構成本公司主要及關連交易，並獲本公司獨立股東於二零一六年二月二日舉行之本公司股東特別大會上批准。皇室大廈出售於二零一六年九月一日完成，而最終代價於本公司日期為二零一六年十月五日之公布內披露。有關皇室大廈出售之詳情載列於本公司日期為二零一五年十二月二十三日之公布及二零一六年一月十五日之通函內。

### 收購英國物業

於二零一六年三月，本集團與獨立第三方訂立一份買賣協議，收購位於英國倫敦St George Street 14號之永久業權物業，代價為121,700,000英鎊。收購事項於二零一六年四月十五日完成。

### 收購英國物業—須予披露交易

誠如二零一六年三月二十一日發出之公布，本集團與獨立第三方於二零一六年三月二十一日訂立一份買賣協議，收購位於英國倫敦Oxford Street 61-67號（單號）及Soho Street 11-14號之永久業權物業，代價為182,800,000英鎊（扣除租金補足及英國土地印花稅津貼前）。根據上市規則，該收購事項構成本公司一項須予披露交易。該收購事項於二零一六年五月二十日完成。



## OTHER INFORMATION AND EVENTS AFTER THE REPORTING PERIOD (Cont'd)

### Acquisition of Equity Interest in Shengjing Bank Co., Ltd.

The Group has entered into a sale and purchase agreement with an independent third party on 6th May, 2016, in relation to the acquisition of 577,180,500 H shares in Shengjing Bank Co., Ltd. (Stock Code: 2066), at a consideration of approximately HK\$6,926.2 million.

### Disposal of a Subsidiary holding Evergo Tower, Shanghai

The Group has on 19th May, 2016 entered into an equity transfer agreement in relation to, inter alia, disposal of a wholly-owned subsidiary of the Company that held the office and shopping complex known as Evergo Tower located in Shanghai, the People's Republic of China (the "PRC") to an independent third party, at the final consideration equivalent to approximately HK\$1,355.8 million. Completion of the disposal took place in June 2016.

### Change of Building Name of Principal Office

As announced on 30th November, 2016, the name of the building where the Group's head office and principal place of business in Hong Kong are located has been changed from "MassMutual Tower" to "China Evergrande Centre" with effect from 1st December, 2016.

### Disposal of Subsidiaries holding the Property Development situated at No. 12 Shiu Fai Terrace and 79 Shops of Lowu Commercial Plaza, Shenzhen – Major and Connected Transactions

The Group has on 5th December, 2016 entered into sale and purchase agreements, in relation to, inter alia, disposal of the wholly-owned subsidiaries of the Company that ultimately held (i) the property development situated at No. 12 Shiu Fai Terrace, Mid-Levels East, Hong Kong; and (ii) 79 shops of Lowu Commercial Plaza located in Shenzhen, the PRC to the companies wholly-owned by (i) Ms. Chan, Hoi-wan, an associate of Mr. Joseph Lau and an associate of Directors at the time of entering into relevant sale and purchase agreement (the "HK Property Transaction"); and (ii) Mr. Lau, Ming-wai, the Chairman of the Board and a NED of the Company (the "PRC Properties Transaction") respectively.

## 其他資料及報告期末後事項 (續)

### 收購盛京銀行股份有限公司股權

本集團與獨立第三方於二零一六年五月六日訂立一份買賣協議，收購577,180,500股盛京銀行股份有限公司之H股股份（股份代號：2066），代價約6,926,200,000港元。

### 出售持有上海愛美高大廈之附屬公司

本集團於二零一六年五月十九日訂立一份股權轉讓協議，內容有關（其中包括）出售一間持有位於中華人民共和國（「中國」）上海市名為愛美高大廈之辦公及商場綜合樓之本公司全資擁有附屬公司予獨立第三方，最終代價相當於約1,355,800,000港元。該出售於二零一六年六月完成。

### 主要辦事處大廈名稱變更

誠如二零一六年十一月三十日發出之公布，本集團之香港總辦事處及主要營業地點所在大廈名稱，已於二零一六年十二月一日由「美國萬通大廈」更改為「中國恆大中心」。

### 出售持有位於肇輝臺12號之物業發展項目及深圳市羅湖商業城之79間商舖之附屬公司—主要及關連交易

本集團於二零一六年十二月五日訂立買賣協議，內容有關（其中包括）分別出售最終持有(i)位於香港半山區東部肇輝臺12號之物業發展項目；及(ii)位於中國深圳市羅湖商業城之79間商舖之本公司全資擁有附屬公司予(i)由陳凱韻女士（於訂立相關買賣協議時為劉鑾雄先生之聯繫人及董事之聯繫人）全資擁有之公司（「香港物業交易」）；及(ii)由劉鳴煒先生（董事會主席及本公司非執行董事）全資擁有之公司（「中國物業交易」）。根據上市規則，香港物業交易及

## OTHER INFORMATION AND EVENTS AFTER THE REPORTING PERIOD (Cont'd)

### Disposal of Subsidiaries holding the Property Development situated at No. 12 Shiu Fai Terrace and 79 Shops of Lowu Commercial Plaza, Shenzhen – Major and Connected Transactions (Cont'd)

HK Property Transaction and PRC Properties Transaction constituted major and connected transactions of the Company under the Listing Rules and each of them was approved by the independent shareholders of the Company at the special general meeting of the Company held on 13th January, 2017. HK Property Transaction and PRC Properties Transaction were completed on 10th February, 2017 at the final consideration of approximately HK\$889.6 million and HK\$352.2 million respectively. Details of HK Property Transaction and PRC Properties Transaction were set out in the announcement of the Company dated 5th December, 2016 and the circular of the Company dated 28th December, 2016.

### Restructuring of Shareholding in the Company

On 1st March, 2017, after the distribution of all the shares in the Company indirectly held under a discretionary trust (the "Share Trust") founded by Mr. Joseph Lau to certain eligible beneficiaries of the Share Trust, Mr. Lau, Ming-wai and Ms. Chan, Hoi-wan (as trustee for her minor children) indirectly hold shares representing approximately 24.97% and 50.02% of the total issued share capital of the Company as at 1st March, 2017 respectively. Details of the restructuring of shareholding were set out in the announcement of the Company dated 1st March, 2017.

## INVESTOR RELATIONS

The Company is continuously committed to maintaining good communication with shareholders, investors and analysts in order to ensure their thorough understanding of the Group's strategies and business development, thereby enhancing transparency and investor relations.

The Company maintains a Company's website ([www.chineseestates.com](http://www.chineseestates.com)) to make the Company's information available on the internet, including the dissemination of statutory announcements and circulars etc., to facilitate its communication with shareholders and to provide important information to the investing public on corporate governance structure, policies and systems, profiles of the Directors and senior executives as well as terms of reference of Board committees.

## 其他資料及報告期末後事項 (續)

出售持有位於肇輝臺12號之物業發展項目及深圳市羅湖商業城之79間商舖之附屬公司—主要及關連交易 (續)

中國物業交易構成本公司之主要及關連交易，而各項交易已獲本公司獨立股東於二零一七年一月十三日舉行之本公司股東特別大會上批准。香港物業交易及中國物業交易於二零一七年二月十日完成，最終代價分別約889,600,000港元及約352,200,000港元。有關香港物業交易及中國物業交易之詳情載列於本公司日期為二零一六年十二月五日之公布及二零一六年十二月二十八日之通函內。

### 本公司股權重組

於二零一七年三月一日，劉鑾雄先生所創立之酌情信託（「股份信託」）向若干合資格受益人分派其所有間接持有之本公司股份後，劉鳴煒先生及陳凱韻女士（作為其未成年子女之信託人）分別間接持有相當於於二零一七年三月一日本公司全部已發行股本約24.97%及50.02%之股份。有關股權重組之詳情載列於本公司日期為二零一七年三月一日之公布內。

## 投資者關係

本公司一貫致力與股東、投資者及分析員保持良好溝通，以確保彼等對本集團之策略及業務發展有透徹的理解，從而提高透明度及加強與投資者關係。

本公司設有公司網頁([www.chineseestates.com](http://www.chineseestates.com))，使股東可透過互聯網取得公司資料，包括法定公布及股東通函之發放等，加強與股東之溝通，並提供重要資料予公眾投資者了解企業管治架構、政策及制度、董事及高級行政人員簡介，以及董事會轄下委員會之職權範圍。



## INVESTOR RELATIONS (Cont'd)

The up-to-date information of the Group is available for public access on the Company's website. The Company encourages its shareholders to take advantage of the Company's website and welcomes suggestions from investors and shareholders, and invites them to share their views and suggestions by contacting the Company at [investor.relations@chineseestates.com](mailto:investor.relations@chineseestates.com).

Shareholders can raise their enquiries to the Board or the company secretary of the Company in writing by sending such written enquiries to the principal office of the Company in Hong Kong at 26th Floor, China Evergrande Centre, 38 Gloucester Road, Wanchai, Hong Kong or by email at [investor.relations@chineseestates.com](mailto:investor.relations@chineseestates.com). Shareholders also have right to raise questions at general meetings.

## PROSPECTS

With the generally unexpected outcome of the presidential election of the United States of America in early November 2016 as well as the potential rise of economic or trade protectionism, the uncertainties surrounding global markets have been intensified; whilst the Federal Reserve in the United States of America decided to raise the target range for the federal funds rate by a quarter percentage point to 0.5% to 0.75% in mid of December 2016 and a further increase in 2017 is also anticipated. As a result of such changes in the macro-environment, adverse impact seems to be inevitable.

The residential property market in Hong Kong had been moving upwards for over the past ten years. The Hong Kong government has introduced new measures in November 2016 to curb and control the seemingly overheated residential property market, whereby a new flat rate of 15% for the ad valorem stamp duty is being imposed on second-home buyers. Unless there is a substantial change on the housing policy by the Hong Kong government upon election of the new Chief Executive, downturn of the property market in Hong Kong is quite likely under the shadow of increasing mortgage interest rate.

## 投資者關係 (續)

有關本集團之最新資訊，本公司會於公司網站作出相應更新以讓公眾人士查閱。本公司鼓勵其股東善用本公司網站及歡迎投資者及股東提出意見，並誠邀彼等透過電郵 [investor.relations@chineseestates.com](mailto:investor.relations@chineseestates.com) 聯絡本公司，分享彼等之意見及建議。

股東可以書面方式向董事會或本公司之公司秘書作查詢，該書面查詢可送交至本公司香港主要辦事處，地址為香港灣仔告士打道38號中國恆大中心26樓或電郵至 [investor.relations@chineseestates.com](mailto:investor.relations@chineseestates.com)。股東亦有權於股東大會上作出提問。

## 展望

二零一六年十一月初的美國總統大選結果出乎一般意料，加上經濟或貿易保護主義的潛在增長，加劇了環球市場的不確定性，同時美國聯邦儲備局已於二零一六年十二月中旬決定將聯邦基金利率目標範圍上調四分之一個百分點至0.5%至0.75%，且預計二零一七年將會進一步加息。基於宏觀環境的種種變化，不利影響似乎是無可避免。

香港住宅物業市場在過去十年一直呈上升趨勢。香港政府已於二零一六年十一月推出新措施遏制看似過熱的住宅物業市場，對購買第二套房統一徵收15%的從價印花稅。除非在選出新行政長官後，香港政府對房屋政策有重大改變，否則香港物業市場很可能於按揭利率上升的陰影下而下滑。

## PROSPECTS (Cont'd)

Subsequent to the disposal of the companies holding property development situated at No. 12 Shiu Fai Terrace in February 2017, total assets and total liabilities of the Group are expected decreasing in the year 2017. In addition, subsequent to the disposal of the companies holding shops of Lowu Commercial Plaza in Shenzhen in February 2017, contribution of rental income from this property to the Group in the year 2017 will be significantly lowered.

Notwithstanding the said changes, the foundation of the Group's investment properties is strong and the Group's financial condition is sound and stable. Our past performance proves that the Group's broad vision is conducive to carrying out businesses and its successful development.

Looking ahead, the Group will continue to monitor local and overseas market conditions, endeavour to participate in land auctions and tenders as well as to capture opportunities for acquiring local and overseas premier investment properties with optimistic return in order to strengthen its investment property portfolio. The Group will grasp every good investment chance continuously in future.

## APPRECIATION

I would like to take this opportunity to express my gratitude to the shareholders for their continuing support. I would also like to express my sincere thanks to my fellow directors and all staff members for their dedication and hard work.

**Lau, Ming-wai**  
Chairman

Hong Kong, 9th March, 2017

## 展望 (續)

隨著本集團於二零一七年二月出售持有位於肇輝臺12號之物業發展項目之公司，本集團之資產總額和負債總額預計於二零一七年減少。此外，隨著本集團於二零一七年二月出售持有位於深圳市羅湖商業城商舖之公司，該物業為本集團帶來的租金收入將在二零一七年顯著減少。

儘管上述轉變，本集團投資物業之基礎依然雄厚，且本集團之財務狀況良好穩健。過往之業績表現，見證著本集團之宏觀遠見有利業務拓展及成功發展。

展望未來，本集團將繼續視察本地及海外市場情況，並積極參與投地，以及把握機會吸納優質及回報可觀之本地及海外投資物業，以加強其投資物業組合。本集團將繼續抓緊每一個優良投資機遇。

## 致謝

本人謹藉此機會對股東一直以來的鼎力支持與各位董事及全體員工的貢獻及竭誠工作表示謝意。

主席  
劉鳴燁

香港，二零一七年三月九日