



Stock Code: 54

# HOPEWELL HOLDINGS LIMITED

合和實業有限公司



Annual Results

---

# 2013/14

2013/14 財政年度全年業績

26 August 2014

Presentation slides are available on [www.hopewellholdings.com](http://www.hopewellholdings.com)

# Group Messages

集團信息



**Active property management with continuous growth in investment property and hospitality businesses**

積極的物業管理推動投資物業和酒店餐飲業務持續增長

**Enthusiastic response to sales of The Avenue**

喜滙的銷售反應熱烈

**Hopewell Centre II advancing full-steam forwards**

合和中心二期項目全速發展中

**Increasing exposure in Wan Chai to capture growth opportunities**

擴大灣仔版圖以把握發展商機

**Solid financial position for future investments**

具備穩健的財務實力投資新項目

# Key Highlights - Business



## 摘要：業務

### ■ Proactive management of properties to achieve sustainable growth

採用主動的物業管理策略以達到持續增長

- ◆ **Investment property and hospitality revenue ↑7% to HK\$1,344m in FY14**  
2014財政年度投資物業和酒店餐飲的收益上升7%，達港幣13.44億元
- ◆ **Office rental income reached historical high in FY14:**  
2014財政年度寫字樓租金收入創歷史新高：
  - **Hopewell Centre: HK\$236m (↑27% yoy)**  
合和中心：港幣2.36億元 (按年增長27%)
  - **KITEC: HK\$89m (↑12% yoy)**  
九展：港幣8,900萬元 (按年增長12%)
- ◆ **KITEC overall revenue<sup>N1</sup> targeted at no less than HK\$480m in FY15, ↑19% yoy**  
九展2015財政年度的整體目標收入不少於港幣4.8億元，按年增長19%

### ■ Pre-sale of The Avenue received enthusiastic response – sold 1,185 units or 93% of total units

滙滙預售反應熱烈，售出1,185個單位或佔總單位數目的93%

- ◆ **HHL received HK\$1.1b net proceeds as of 30 Jun 2014**  
截至2014年6月30日，合和實業已收取淨銷售款項約港幣11億元

# Key Highlights – Properties under Development

摘要：發展中項目

## ■ Site formation work of Hopewell Centre II (“HCII”) in progress with planned completion by end-2015

合和中心二期項目正進行土地平整工程，計劃於2015年底前完工

### ◆ Structural framework of podium planned to complete in 2016

裙樓主體結構建築工程，計劃在2016年完工

## ■ Continue to look for opportunities to increase land reserves in locations synergizing with existing properties

在與現有物業能產生協同效應的地區，繼續尋求增加土地儲備的機會

### ◆ Purchased land on Schooner Street in Jun 2014

在2014年6月購入捷船街地皮

#### ● Proximity to Wan Chai property portfolio including Hillside Terrace Cluster\* and Miu Kang Terrace

鄰近灣仔物業組合包括山坡臺建築群和妙鏡臺

### ◆ 155-167 Queen’s Road East: submitted a planning application to build a commercial building

皇后大道東155-167號：已提交規劃申請興建商業大廈

#### ● 155-159 Queen’s Road East: demolition works are underway

皇后大道東155-159號：正進行拆卸工程

#### ● 161-167 Queen’s Road East: compulsory sale expected to complete in mid-2015

皇后大道東161-167號：預計在2015年中完成強拍

\* Various plots of land in Hillside Terrace and Nam Koo Terrace

# Key Highlights – Properties under Development

摘要：發展中項目

- **Investment properties in Wan Chai with total attributable GFA of ~2.3m sq.ft. (office, retail, residential and hotel)**

灣仔投資物業的應佔總樓面面積約230萬平方呎 (寫字樓、零售商舖、住宅及酒店)

- ◆ **Existing properties** : ~1.0m sq.ft.
- ◆ **Properties under development/planning** : ~1.3m sq.ft.

現有物業：約100萬平方呎；發展／規劃中物業：約130萬平方呎

- ◆ **One of Wan Chai's largest retail clusters upon completion of HCII and the Avenue Walk**

合和中心二期及薹歡里建成後，將成為灣仔最大的零售集中地之一

# Key Highlights – Solid Financial Position



摘要：穩健的財務狀況

## ■ As at 30 Jun 2014, 在2014年6月30日，

### ◆ Cash on hand (HHL corporate level): HK\$4,194m

合和實業公司層面的手頭現金：港幣41.94億元

#### ● Adequate funding for projects under development

足以應付發展中項目的資金需要

### ◆ Net debt (HHL corporate level) - HK\$1,056m

- improved to HK\$857m as at 14 Aug 2014

合和實業公司層面的淨負債為港幣10.56億元，而在2014年8月14日更改善至港幣8.57億元

#### ● Net gearing 3% (30 Jun 2013: 6%)

淨資產負債比率3% (在2013年6月30日：6%)

## ■ Proceeds from sale of The Avenue helped lower HHL corporate level's net debt

蘭匯銷售所得的款項有助降低合和實業在公司層面的淨負債水平

### ◆ HHL has received HK\$1.1b net proceeds<sup>N1</sup> as of 30 Jun 2014

在2014年6月30日合和實業已收取淨銷售款項港幣11億元

#### ● Expects to receive further ~HK\$0.6b<sup>N2</sup> net proceeds by 4Q2015

預期於2015年第4季收取餘下淨銷售款項約港幣6億元

## ■ Continue to look for appropriate investment opportunities

繼續尋找合適的投資機會

N1: After URA's share, settlement of outstanding project loan, construction and related costs

N2: Of which HK\$270m had been received by HHL as of 14 Aug 2014

# Results Highlights

## 業績摘要

### ■ Operating profit\* from prime-earning businesses HK\$1,123m in FY14

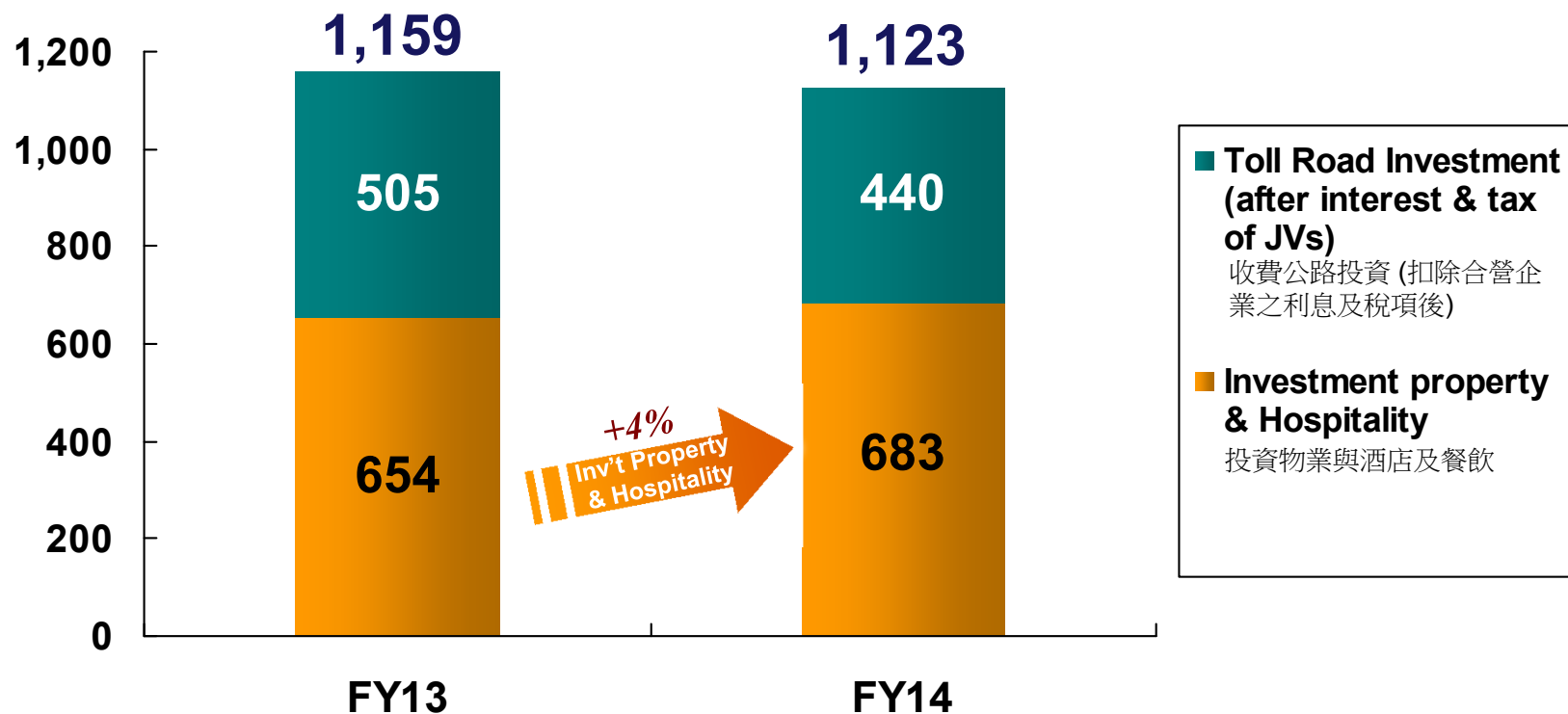
2014財政年度重點收益業務的營運溢利為港幣11.23億元

#### ◆ From toll road investment, investment property and hospitality

來自收費公路投資、投資物業與酒店及餐飲業務

### Operating Profit\* from Prime-earning Businesses

(HK\$ in million)



\* Being EBIT net of proportional share by non-controlling interests

# Results Highlights 業績摘要



Year ended 30-Jun (HK\$ in million) 截至6月30日止年度 (港幣百萬元)	2013	2014	% change 變動(%)
<b>EBIT (excl. one-off HCII land conversion gain in FY13)</b> 除利息及稅項前溢利 (未計及在2013財年合和中心二期的一次性土地變換收益)	1,901	<b>1,920</b>	<b>+1%</b>
<b>Core Profit* attributable to owners of the Co.</b> 公司股東應佔核心溢利	1,231	<b>1,233</b>	<b>+0.2%</b>

\* Profit excluding HCII land conversion gain and fair value gain of completed investment properties

## ■ EBIT (excl. one-off HCII land conversion gain in FY13) ↑1% mainly due to:

除利息及稅項前溢利 (未計及在2013財年合和中心二期的一次性土地變換收益) 上升1%，主要由於

### i) Continued growth of investment properties and Phase II West

持續增長的投資物業和西綫 II 期

### ii) ↑ Hopewell New Town's EBIT, offset

合和新城的除利息及稅項前溢利上升，抵銷了

### iii) Net loss of Phase III West (first full-year operation)

西綫 III 期 (首次全年營運) 淨虧損

### iv) ↓ Panda Hotel's EBIT

悅來酒店的除利息及稅項前溢利下跌

## ■ Profit attributable to owners fell to HK\$1,358m mainly due to absence of one-off HCII land conversion gain and lower fair value gain of completed investment properties

公司股東應佔溢利下跌至港幣13.58億元，主要由於期內再沒有錄得合和中心二期土地變換收益，以及已落成投資物業公平值收益減少



(HK\$ in million) (港幣百萬元)

For the year ended 30-Jun 截至6月30日止年度

	Revenue 收入			EBIT <sup>N1</sup> 除利息及稅項前溢利		
	2013	2014	Chng	2013	2014	Change
<b>Investment properties and hospitality</b> 投資物業和酒店餐飲						
<b>Property letting, agency &amp; management</b> 物業租賃、代理及管理	798	890		509	556	
<b>Hotel, restaurant &amp; catering</b> 酒店、餐廳及餐飲營運	462	454		145	127	
sub-total 小計	1,260	1,344	+7%	654	683	+4%
<b>Property development</b> 物業發展	1,009	749	-26%	222	299	+35%
<b>Toll road investment (after interest &amp; tax of JVs)</b> 收費公路投資 (計及合營企業利息及稅項後)	2,244	2,419	+8%	749	667	-11%
<b>Power plant (after interest &amp; tax of JV)</b> 電廠 (計及合營企業利息及稅項後)	1,378	1,233	-11%	146	153	+5%
<b>Treasury income</b> 庫務收入	257	247	-4%	257	247	-4%
<b>Others</b> 其他	-	-		(127)	(129)	
<b>Revenue / EBIT (before Hopewell Centre II land conversion gain) <sup>N2</sup></b>	6,148	5,992	-3%	1,901	1,920	+1%
收入／除利息及稅項前溢利 (未計及合和中心二期土地變換收益)						
<b>Hopewell Centre II land conversion gain</b> 合和中心二期土地變換收益	-	-		2,249	-	
<b>Revenue / EBIT</b> 收入／除利息及稅項前溢利	6,148	5,992	-3%	4,150	1,920	-54%
				<b>Results 業績</b>		
				2013	2014	Change
<b>Earnings before interest &amp; tax</b> 除利息及稅項前溢利				4,150	1,920	
<b>Finance costs</b> 財務成本				(107)	(100)	
<b>Fair value gain of completed investment properties</b> 已落成投資物業公平值收益				8,725	125	
<b>Profit before tax</b> 除稅項前溢利				12,768	1,945	
<b>Taxation</b> 稅項				(295)	(329)	
<b>Profit for the year</b> 本年度溢利				12,473	1,616	
<b>Minority interests</b> 少數股東應佔淨溢利				(267)	(258)	
<b>Profit attributable to owners of the Company</b> 公司股東應佔溢利				12,206	1,358	-89%
<b>Core Profit attributable to owners of the Company</b> 公司股東應佔核心溢利				1,231	1,233	+0.2%

N1: EBIT of the Company and its subsidiaries, plus their shares of net profits (after interest and tax) of JVs

N2: Refers to the initial fair value gain arising from conversion of bare land to a revenue generating asset (HCII land conversion)

# Financial Highlights

財務摘要



Year ended 30-Jun 截至6月30日止年度	2013		2014		% change 變動(%)
<b>EPS (HK\$)</b> 每股溢利 (港元)	<b>13.97</b>		<b>1.56</b>		<b>-89%</b>
<b>DPS (HK cents)</b> 每股股息 (港仙)	<b>Interim:</b> 中期	<b>45</b>	<b>Interim:</b> 中期	<b>50</b>	
	<b>Final:</b> 末期	<b>55</b>	<b>Final:</b> 末期	<b>60</b>	
	<b>Special Final:</b> 特別末期	<b>-</b>	<b>Special Final:</b> 特別末期	<b>In specie of 1 HHI share for 20 HHL shares held</b>	
				以實物派付之比例為 每持有20股合和實業股份 獲發1股合和公路基建股份	
<b>Total:</b> 合計	<b>100</b>	<b>Total:</b> 合計	<b>110</b>		

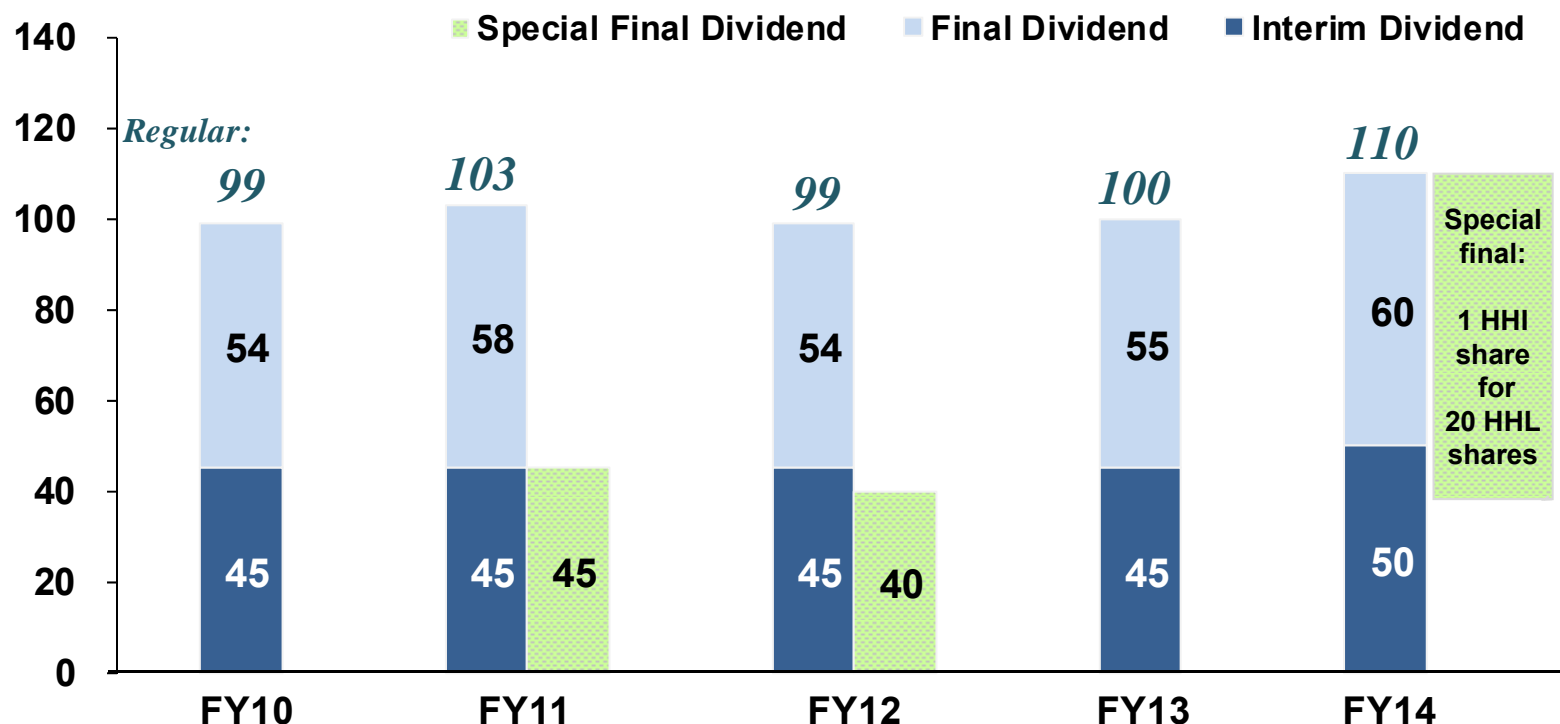
# HHL Dividend History - Steady Dividend



合和實業的股息：穩健股息

## HHL Dividend History

(HK cents/share)



<b>Total Dividend Payout Ratio<sup>N1</sup></b> (ex-fair value gain of completed inv't properties)	<b>82%</b> (also ex-BW12 completion gain)	<b>56%<sup>N2</sup></b>	<b>64%<sup>N2</sup></b>	<b>71%</b> (also ex-land conversion gain)	<b>78%<sup>N3</sup></b>
---	--	-------------------------	-------------------------	--	-------------------------

N1: Profit in FY10 has not been restated to reflect the actual payout ratio decided in that year

N2: Based on (i) net profit ex-completed investment properties fair value gain & (ii) net profit incl. net realised gain on Broadwood Twelve units sold in the review year approx. \$500m (FY12); \$1.1b (FY11). If only based on (i) payout ratio = 89% (FY12); 107% (FY11)

N3: Excluding special final dividend by way of distribution in specie of shares in HHI



# Investment Properties & Hospitality

投資物業及酒店餐飲

# Investment Properties and Hospitality

## - Healthy Growth in past 5 years



投資物業和酒店餐飲：過去5年增長穩健

### ■ Revenue ↑7% yoy to HK\$1,344m in FY14

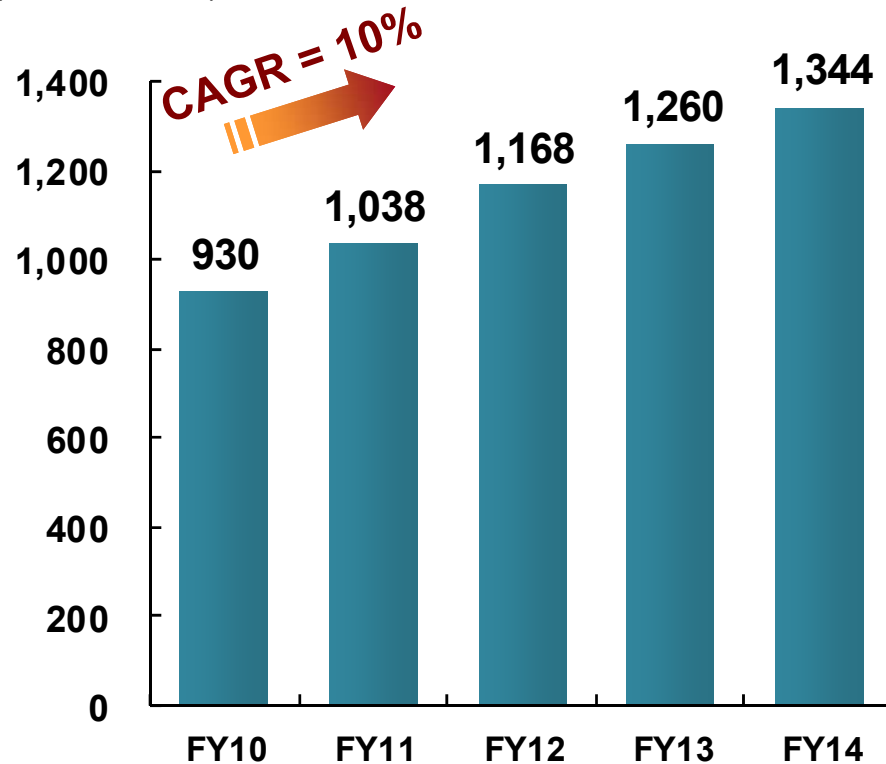
2014財政年度的收入按年增長7%達港幣13.44億元

### ■ EBIT ↑4% yoy to HK\$683m in FY14

2014財政年度的除利息及稅項前溢利按年增長4%達港幣6.83億元

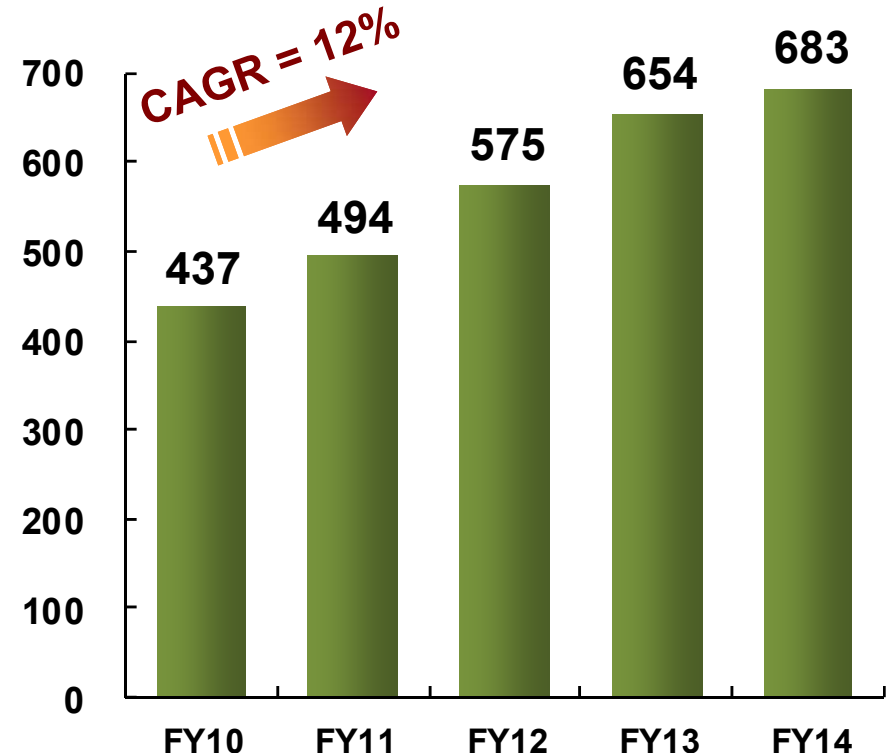
#### Revenue – Investment Properties & Hospitality\*

(HK\$ in million)



#### EBIT – Investment Properties & Hospitality\*

(HK\$ in million)



\* Excluding any gain on completion of property

# Investment Properties - Occupancy & Rental Rates



投資物業：出租率及租金

## Occupancy rate of investment properties remained at high levels

投資物業的出租率維持在高位

	Average Occupancy Rate <sup>N1</sup> 平均出租率		YoY change in Average Rental Rate 平均租金的按年變動
	FY13	FY14	
<b>Hopewell Centre</b> 合和中心	97%	96%	+15%
<b>KITEC Office</b> 九龍灣國際展貿中心寫字樓	96%	96%	+20%
<b>KITEC E-Max</b> 九龍灣國際展貿中心E-Max	88%	85% <sup>N2</sup> (refurbishment)	+11%
<b>Panda Place</b> 悅來坊商場	97%	97%	+23%
<b>QRE Plaza</b>	88%	94%	0%
<b>GardenEast (apartments)</b>	93%	95%	+6%

Areas already leased & occupied by tenants + Areas reserved for specified use  
+ Areas where leases have been committed but not yet commenced

N1: Occupancy rates in the whole presentation =  $\frac{\text{Total lettable area}}{\text{Total lettable area}}$

N2: Due to the closure of contain portions of retail space in E-Max for refurbishment commencing in Apr 2013

# Investment Properties Rental (Office)

## – Actual vs Target

投資物業寫字樓的實際租金與目標租金的比較

	Growth Target												Average Spot Rent (HK\$/sq.ft.)		
	Rental Income <sup>N1</sup> (HK\$m)							Average Passing Rent (HK\$/sq.ft.)							
	Actual			Target <sup>N2</sup>				Actual			Target <sup>N2</sup>		Actual		
	FY13	FY14	yoy	FY15	yoy	FY16	yoy	FY13	FY14	yoy	FY15	yoy	FY13	FY14	yoy
<b>Office</b>															
<b>Hopewell Centre</b>	186	236	+27%	250	+6%	270	+8%	31.6	37.7	+19%	40.0	+6%	42.7	46.5	+9%
<b>KITEC</b>	80	89	+12%	120	+35%	135	+13%	10.8	13.0	+20%	15.0	+15%	15.1	19.0	+26%

### Office co-termination strategy to attract high-quality and sizeable tenants to improve rental income

採用寫字樓租約期限整合策略吸引高質素及大型租戶，以提高租金收入

#### ◆ FY14 sizeable tenants<sup>N3</sup>:

- Hopewell Centre 65% of total office space (FY13: 51%)
- KITEC 51% of total office space (FY13: 37%)

2014財政年度大型租戶佔整體寫字樓樓面面積：合和中心為65% (2013財年：51%)；九展為51% (2013財年：37%)

N1: Excludes tenancies for HHL's own use

N2: Target (not less than)

N3: Tenants occupying 15,000sq.ft. or above

# Hopewell Centre (Office), Wan Chai



灣仔合和中心寫字樓

## ■ Achieved rental growth and benefited from office decentralisation

租金上升及受惠於寫字樓租戶遷離核心區域的趨勢

## ■ In Jun 2014, 在2014年6月

- ◆ **A multi-national insurance company committed to lease the entire 57/F of ~15,000 sq.ft.**

一跨國保險公司承諾租賃57樓全層約15,000平方呎

- ◆ **Nissan committed to lease ~46,000 sq.ft. office space (global headquarter in Hopewell Centre)**

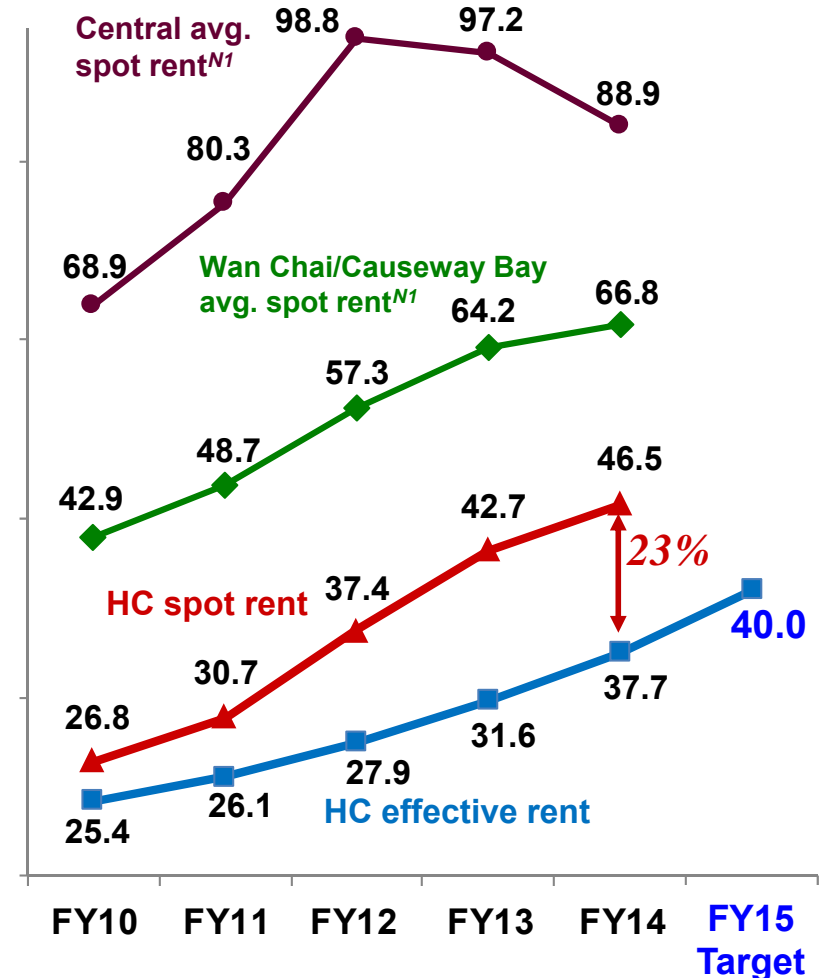
日產汽車承諾租賃約46,000平方呎寫字樓 (環球總部設於合和中心)

- ◆ **Office's average spot rent exceeded HK\$50/sq.ft.**

寫字樓的平均市值租金超過每平方呎港幣50元

## Hopewell Centre office spot rents vs peers

(HK\$/sq.ft./month)



N1: Figures from Rating & Valuation Dept



# Hopewell Centre, Wan Chai

## – Continuous Enhancement to maintain Competitiveness

灣仔合和中心：不斷優化以保持競爭力

- **Revamp of podium façade targeted to start in 4Q2014 and complete in 2015**

翻新外牆工程預計於2014年第4季開始動工，並於2015年完工

- **62/F will become a restaurant run by the same operator of L'Atelier de Joël Robuchon (3 Michelin-starred), target opening in 1Q2015**

62樓將成為一間與L'Atelier de Joël Robuchon (米芝蓮三星食府) 相同營運商經營的餐廳，預期於2015年第1季開幕



- **Introduced an European café on 17/F**

一家歐式咖啡店進駐17樓

- **Commenced refurbishment for INFINITI's duplex showroom (Nissan's luxury vehicle division) on G/F to uplift image, target opening 4Q2014**

為提升形象，已展開 INFINITI (日產汽車旗下的豪華車系) 在地下雙層展覽廳的裝修工程，計劃在2014年第4季開幕



Hopewell Centre Podium Façade Design\*



European Café on 17/F Hopewell Centre

# KITEC Office, Kowloon Bay

九龍灣國際展貿中心寫字樓

## ■ Achieved rental growth and benefited from office decentralisation

租金上升及受惠於寫字樓租戶遷離核心區域的趨勢

## ■ Hospital Authority committed to lease ~117,000 sq.ft. in phases at ~HK\$20/sq.ft. starting Sep 2014

醫院管理局承諾自2014年9月起以每平方呎約港幣20元分階段租用約11.7萬平方呎

## ■ Conversion of retail space on 6/F to office and conference facilities began in Aug 2014 and planned to complete by 1Q2015

6樓的零售部分在2014年8月開始改為寫字樓及會議設施，計劃在2015年第1季完成

### ◆ GFA after conversion: office 750,000 sq.ft. and retail 760,000 sq.ft.

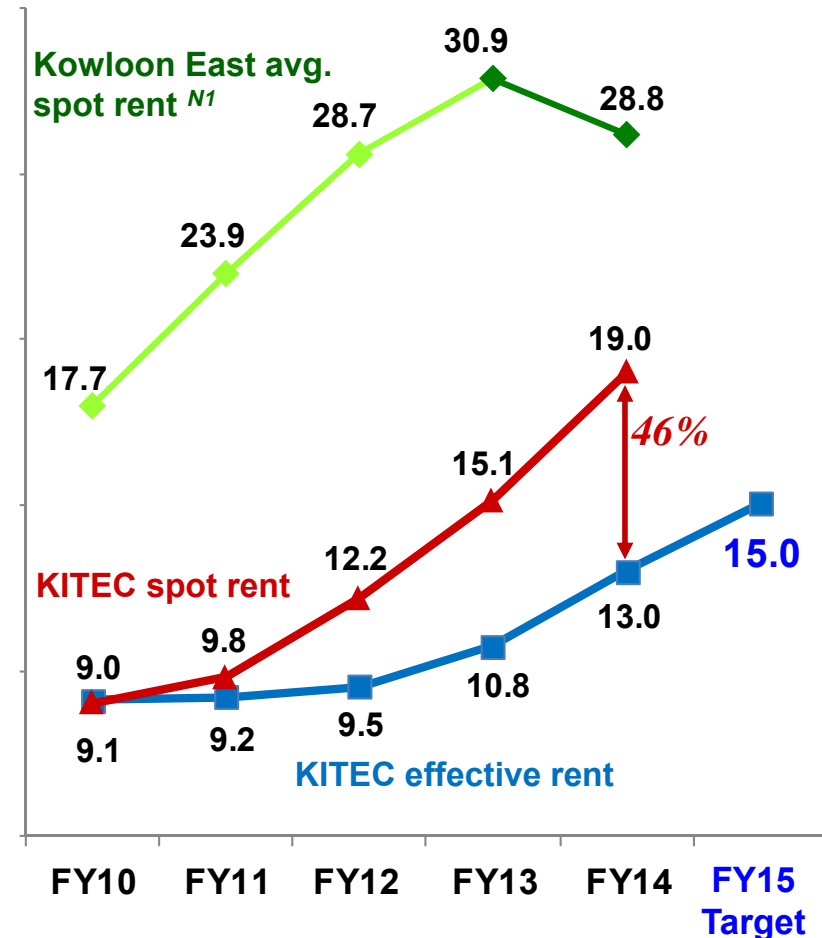
改動後的樓面面積：寫字樓為75萬平方呎；零售為76萬平方呎

### ◆ Expect to increase KITEC's office rental income

預期將增加九展寫字樓的租金收入

## KITEC office spot rents vs peers

(HK\$/sq.ft./month)



N1: FY10-FY12: figures from Savills Research & Consultancy (for reference only)

FY13-FY14: figures from Rating & Valuation Dept (Kowloon Bay/ Kwun Tong, Feb 13 – Jun 14)

# E-Max: The Metroplex

- commenced operation in Feb 2014

星影匯：2014年2月開始營運

- **An upscale cineplex operated in-house (9 houses with capacity of over 1,100 people)**

合和自行營運的多廳影院 (設有9個影院，可容納逾1,100人)

- ◆ **Movie premieres, movie & corporate conferences**

電影首映禮、電影及公司企業會議

- **Solid entertainment anchor for E-Max attracting different customer groups**

E-Max娛樂元素的重要構成部分，吸引不同層面的觀眾

- ◆ **Sundance Film Festival (first ever in HK) in Sep 2014**

首次在香港舉辦的「辛丹斯電影節」，將在2014年9月舉行

- ◆ **Feb-Jun 2014: ~23% market share of total premieres in HK (11 Gala Premieres, 2 largest local film festivals)**

在2014年2月至6月期間，已舉辦的電影首映禮佔香港市場份額約23% (11個電影首映慶典、2個本地大型電影節)

- **Attracted over 110,000 audiences since operation commenced**

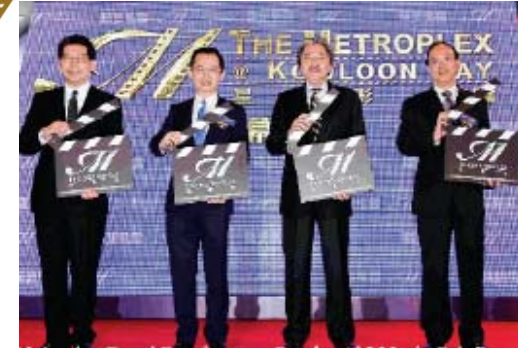
自開業以來已吸引逾11萬名觀眾入場

- **Increased traffic flow, enhanced attractiveness and helped to lift rental of E-Max**

增加人流，加強吸引力及有助提升E-Max的租金

- ◆ **Benefited F&B tenants in E-Max**

E-Max的餐飲租戶得以受惠



The Metroplex Grand Opening

## ■ Refine tenant mix to lift rental rates

優化租戶組合以提升出租率

- ◆ **759 Store, a Japanese-style retail store chain, committed to lease over 10,000 sq.ft. as flagship store on 2/F (opened in Jul 2014)**

日式零售連鎖店「759阿信屋」，承諾租用2樓逾1萬平方呎作為旗艦店（已於2014年7月開張）

- ◆ **Currently under active lease negotiation with various renowned retailers**

現正與多家知名零售商積極洽談租約

## ■ Renovation of Rotunda 2 (3/F) completed in Jun 2014

展貿廳2（位於3樓）的翻新工程已在2014年6月完工

- ◆ **Upgraded and allows F&B business to charge higher table price and expand client base**

提升檔次及有助提高餐飲業務的議價能力，並擴大顧客層面



759 Store (2/F)



The renovated Rotunda 2

# Panda Place, Tsuen Wan

荃灣悅來坊商場



GFA approx. 229,000ft<sup>2</sup>

總樓面面積約229,000平方呎

## ■ Refined tenant mix (e.g. AEON) after renovation (completed 4Q2012)

翻新工程在2012年第4季完工後，優化了租戶組合 (例如：AEON)

### ◆ A span of gourmet restaurants introduced to B1/F to increase traffic flow

在地庫一樓引入美食餐廳，以增加人流

## ■ Rental income increased 60% to HK\$53m in FY14 vs FY12 prior to renovation

在2014財政年度的租金收入，較翻新工程前的2012財政年度上升60%至港幣5,300萬元

## ■ Re-layout 2/F into an Asian epicure, targeted to open in 4Q2014

重新將2樓商舖佈局為亞洲美食廣場，計劃在2014年第4季開幕

### ◆ Expect to double existing rental rate from tenants on 2/F

預期租金是現時2樓租戶的兩倍



### ■ Turnover ↓3% to HK\$325m in FY14

2014財政年度的營業額下跌3%至港幣3.25億元

- ◆ **New PRC Tourism Law\* reduced group tourists to HK but negative impact has been fading out**

中國實施新《旅遊法》令訪港旅行團減少，但負面影響已逐漸消退

- **Room revenue ↑4% in 2HFY14 vs 2HFY13**

在2014財政年度下半年的客房收入較去年同期上升4%

- ◆ **Average room occupancy rate maintained at 93% and average room rate ↓3% in FY14**

2014財政年度的平均房間入住率維持在93%；平均房間價格下跌3%

- ◆ **F&B revenue stayed flat as ↑revenue from F&B outlets offset ↓banquets due to fewer wedding events**

餐飲業務的收入表現持平，由於餐飲店舖收入的上升，抵銷了婚宴數目減少令宴會收入下降

### ■ To maintain competitiveness:

為保持競爭力：

- ◆ **Continue to diversify customer mix**

繼續令客戶組合多元化

- ◆ **Strengthened MICE business and received positive market response**

加強MICE業務並獲得市場正面的回響

- **Helped capture more certain revenue source, increased average room rate and visitors' length of stay, increased publicity**

有助吸納更穩定的收入來源、提高平均房間價格及延長旅客住宿時間，以及提高知名度

- ◆ **Enhance management standards of F&B business**

提升餐飲業務的管理標準



Guestroom after revamp

\* Effective since 1 Oct 2013, targeted the notorious budget tours and dishonest dealings between agencies and local tourist shops

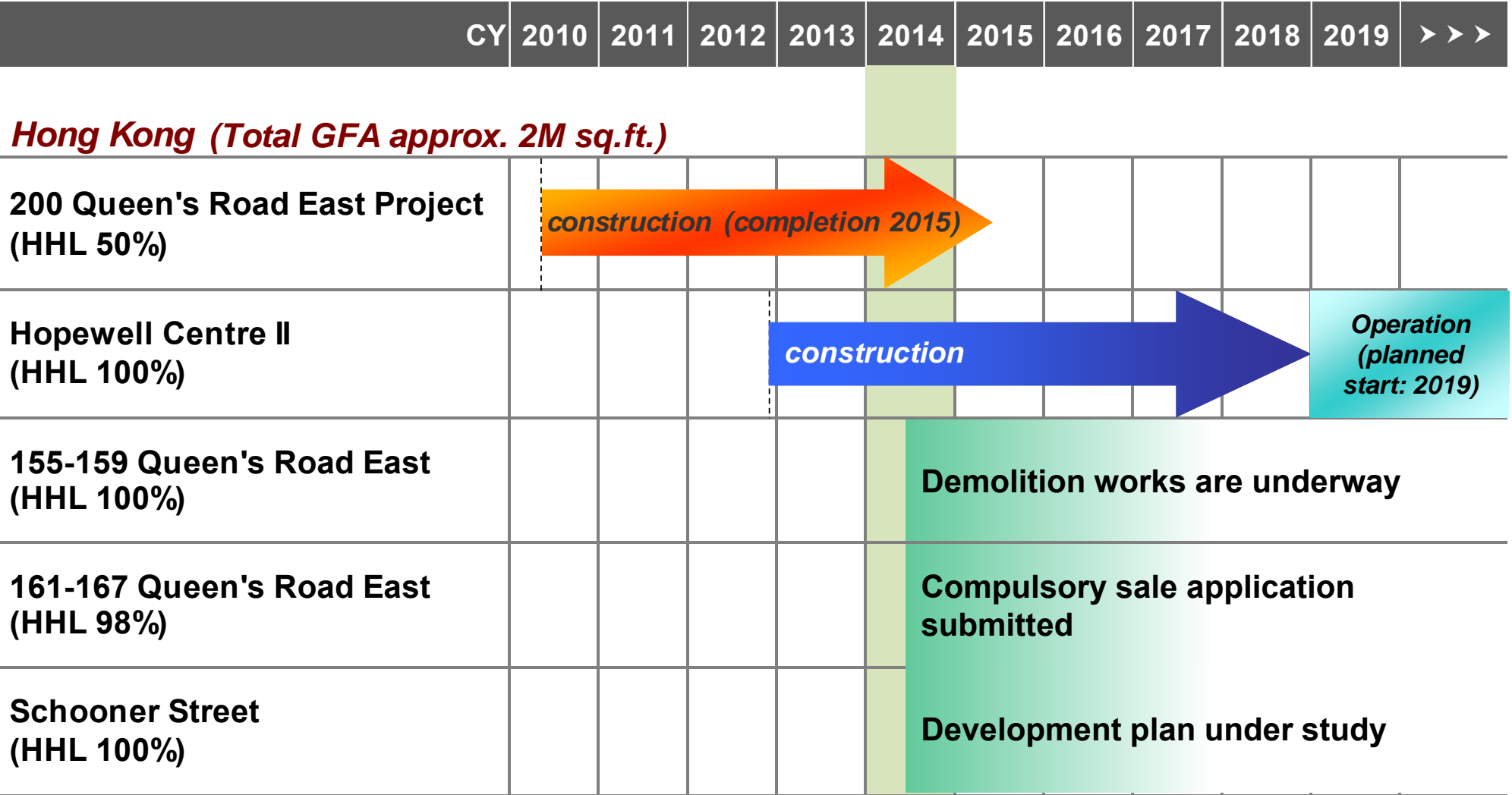
The background features a low-angle, upward-looking perspective of several modern skyscrapers with glass facades, set against a clear blue sky with light clouds. The buildings are arranged in a way that creates a sense of height and architectural scale.

# Properties under Development

發展中物業

# Construction Timeline for Projects\*

項目的工程進度



\* Present planning, subject to change



# Property Portfolio in Wan Chai



灣仔的物業組合



# Development Progress in Wan Chai

## 於灣仔的發展進程

### ■ Exploring development opportunities of its various land plots in Wan Chai to enhance the synergy effect

尋求公司在灣仔各處地段的發展機會，加強物業的協同效應

Properties in Wan Chai	Latest Development*
<b>Hopewell Centre II</b> 合和中心二期 (HHL 100%)	<ul style="list-style-type: none"> <li>Submitted an application to refine and enhance the 2009 approved scheme (no impact on construction progress under current planning)</li> </ul>
<b>155-159 Queen's Road East</b> 皇后大道東 155-159 號 (HHL 100%)	<ul style="list-style-type: none"> <li>Demolition works are underway</li> </ul>
<b>161-167 Queen's Road East</b> 皇后大道東 161-167 號 (HHL 98%)	<ul style="list-style-type: none"> <li>Compulsory sale application submitted in May 2014 and expected to complete in mid-2015</li> <li>Submitted a planning application to build a commercial building along 155-167 QRE</li> </ul>
<b>Schooner Street</b> 捷船街 (HHL 100%)	<ul style="list-style-type: none"> <li>Purchased in Government land sale in Jun 2014 and took possession of the site in Jul 2014</li> <li>Development plan under study</li> </ul>
<b>Miu Kang Terrace</b> 妙鏡臺 (HHL 100%)	<ul style="list-style-type: none"> <li>Last unit acquired in Feb 2014</li> </ul>
<b>Hillside Terrace Cluster</b> 山坡臺建築群 (HHL 100%)	<ul style="list-style-type: none"> <li>Looking into the best way to realize the redevelopment potential of the Hillside Terrace Cluster together with the preservation of Nam Koo Terrace</li> </ul>

\*As of 14 Aug 2014



155-159 Queen's Road East  
– Demolition works



161-167 Queen's Road East

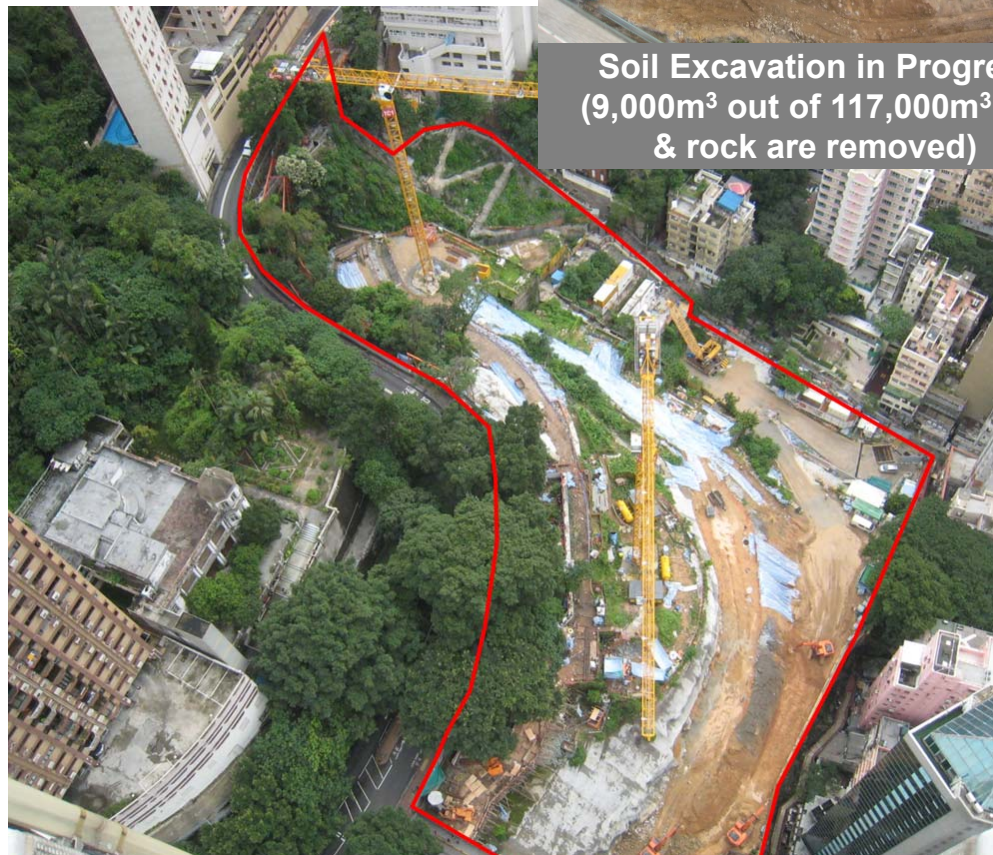
# Hopewell Centre II, Wan Chai

## - Construction Progress

灣仔合和中心二期：工程進度



Soil Excavation in Progress  
(9,000m<sup>3</sup> out of 117,000m<sup>3</sup> soil  
& rock are removed)



HCII Site – Site formation works in progress

### Updates 最新概況

- **Site formation works in progress and planned to complete end-2015<sup>N1</sup>**  
正進行土地平整工程，計劃在2015年底完工
  - ◆ **Tower Cranes and hoarding erection completed**  
已完成安裝天秤及地盤圍板工程
- **Structural framework of podium planned to complete in 2016<sup>N1</sup>**  
裙樓主體結構建築工程，計劃在2016年完工
- **Construction of hotel planned to complete in 2018<sup>N1</sup>**  
酒店部分的建築工程計劃在2018年完工

N1: Present planning, subject to change

# Hopewell Centre II, Wan Chai

## - Construction Timeline and Capex Plan<sup>N1</sup>

灣仔合和中心二期：工程進度及資本開支計劃

### Major Construction Works

Financial Year	FY13	FY14	FY15	FY16	FY17	FY18	FY19
<b>Stage 1</b> Site preparation works							
<b>Stage 2</b> Site formation & foundation works <sup>N2</sup>							
<b>Stage 3</b> Podium structural framework							
<b>Later Stage</b> Structural framework, finishing and fitting out works, hotel set up							

### Capex Plan

Financial Year	up to 30 Jun 2014	FY15	FY16	FY17 and Beyond
Amount (HK\$m)	around 4,350 <sup>N3</sup>	180	1,260	3,340

**Planned Total Investment: approx. HK\$9b**

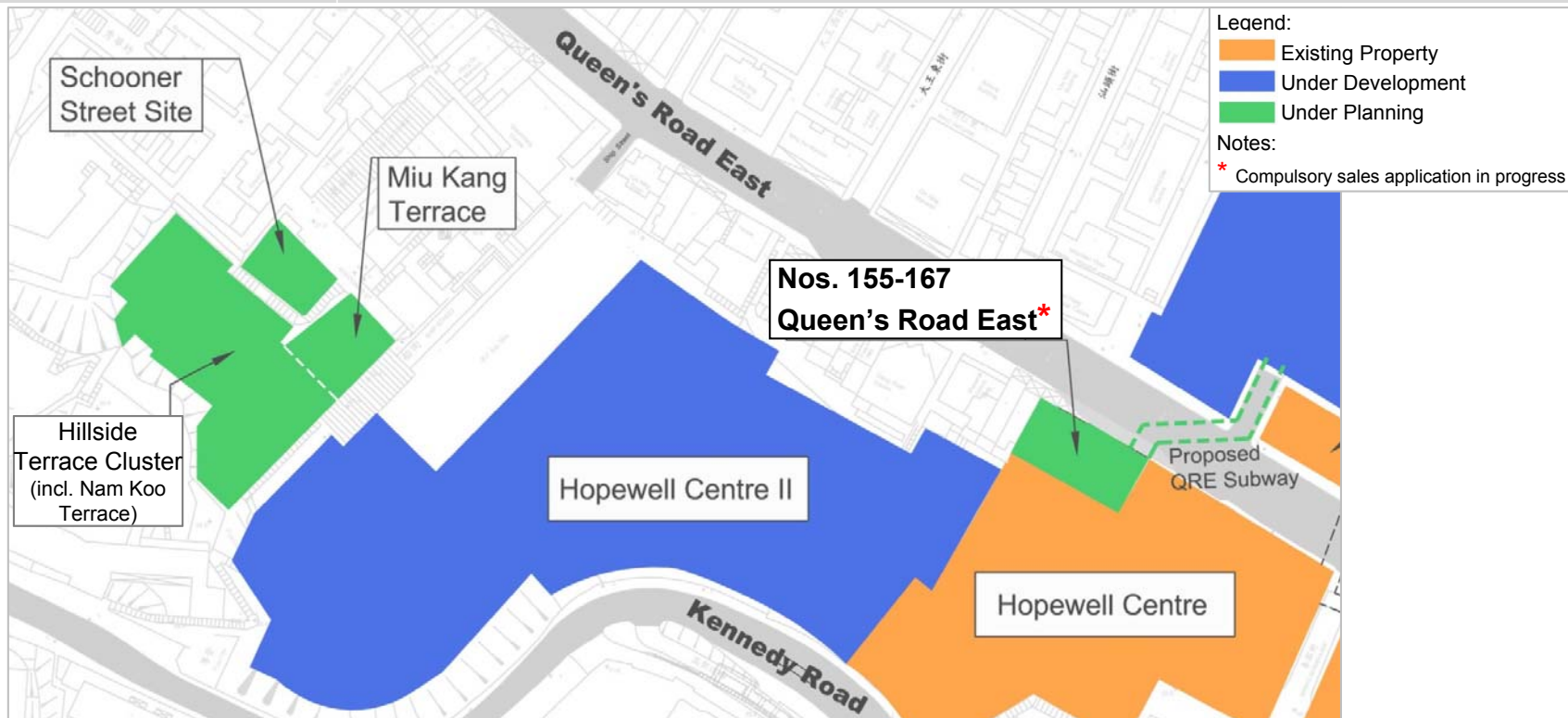
N1: Present planning, subject to changes  
 N2: Include construction of retaining walls, soil and rock export  
 N3: Include land premium \$3,726m

# 155-167 Queen's Road East Project, Wan Chai



灣仔皇后大道東155-167號項目

	155-159 Queen's Road East	161-167 Queen's Road East
Site area (sq.ft.)	2,150	2,850
Existing GFA (sq.ft.)	9,720	19,770
Existing use	Commercial & Residential	Commercial & Residential
Latest development	Demolition works are underway	Compulsory sale application submitted and expected to complete mid-2015
	Submitted a planning application to build a commercial building along 155-167 Queen's Road East	



# Schooner Street (I.L. 9048), Wan Chai

灣仔捷船街（內地段第9048號）

## ■ Purchased in Jun 2014

在2014年6月購入地皮

### ◆ Took possession of the site in Jul 2014

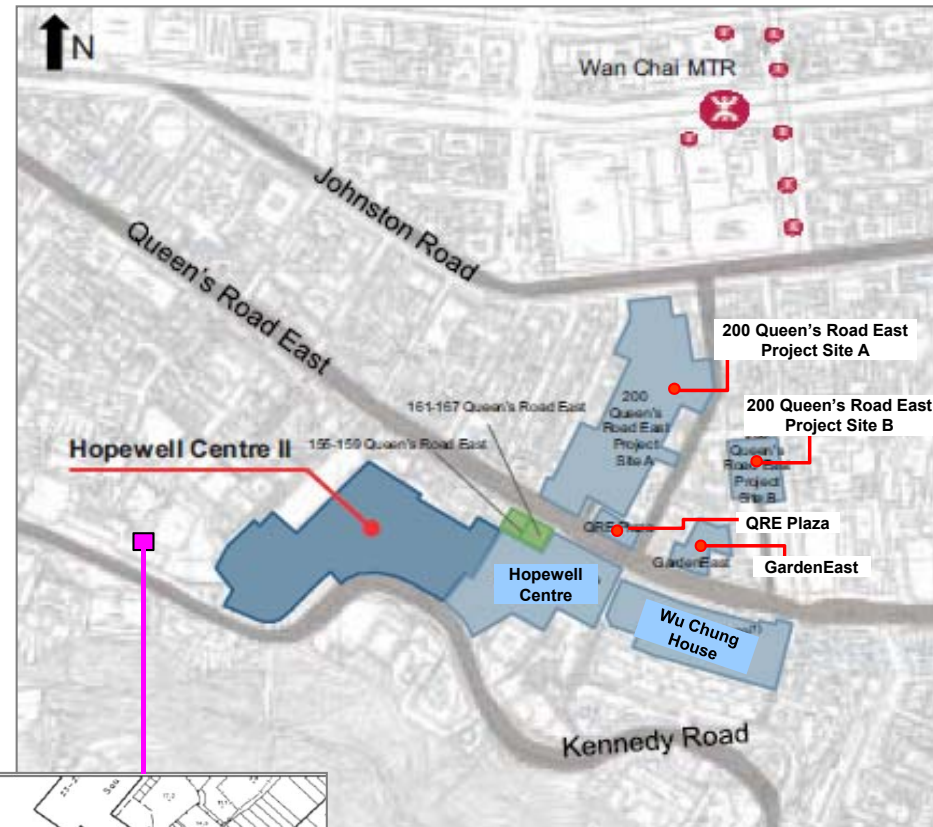
於2014年7月取得該地的管有權

### ◆ Currently studying the development plan

現正研究發展計劃

## ■ Synergy to HHL's existing properties and developments in Wan Chai

與合和實業在灣仔現有物業和將來發展產生協同效應



	Details
Use	Residential
Site Area	2,906 sq.ft.
GFA	14,531 sq.ft.
Height Restriction	No more than 12 storeys

# 200 Queen's Road East Project, Wan Chai

## - The Avenue Residential Sales



灣仔皇后大道東200號項目：囍滙住宅銷售

### ■ As of 14 Aug 2014,

截至2014年8月14日，

#### ◆ Sold 1,185 units or 93% of total units

售出1,185個單位或佔單位總數的93%

Based on saleable area	Phase 2 (Site A)	Phase 1 (Site B)	Total
<b>Total units</b>	<b>1,096</b> (554,000 sq.ft.)	<b>179</b> (103,000 sq.ft.)	<b>1,275</b> (657,000 sq.ft.)
<b>Units sold</b>	<b>1,015</b> (478,000 sq.ft.)	<b>170</b> (96,000 sq.ft.)	<b>1,185</b> (574,000 sq.ft.)
<b>• As % of total units</b>	<b>93%</b>	<b>95%</b>	<b>93%</b>
<b>• Average selling price (sold units)</b>	<b>HK\$21,500/sq.ft.</b>	<b>HK\$19,700/sq.ft.</b>	
<b>Unsold units</b>	<b>90</b> (83,000 sq.ft.)		
<b>• Estimated valuation</b>	<b>~HK\$30,000/sq.ft.</b>		

#### ◆ Generated HK\$12.2b total sales at JV level (before URA sharing)

帶來總銷售款項在合營企業層面約為港幣122億元 (未扣除市建局所佔部分)

# 200 Queen's Road East Project, Wan Chai

## - linked with Wan Chai MTR Station

灣仔皇后大道東200號項目：連接灣仔港鐵站

- Total GFA approx. 835,000sq.ft.<sup>N1</sup>
  - Residential (The Avenue): approx. 731,000sq.ft. (1,275 units)
  - Retail: approx. 86,000sq.ft.
- 50:50 JV with Sino Land

*N1: Approx. 18,000sq.ft. will be handed over to URA*

### Updates 最新概況

#### ■ Construction is underway

項目正在興建中

#### ◆ Planned completion and ready for handover<sup>N1</sup>:

預期第1期 (地盤B) 及第2期 (地盤A) 分別在2014年第4季及2015年下半年完工及完成交樓準備

- Phase 1 (site B): 4Q CY2014
- Phase 2 (Site A): 2H CY2015



The Avenue (Site A)



The Avenue (Site B)

*N1: Present planning, subject to change*



# 200 Queen's Road East Project, Wan Chai



## - Avenue Walk

灣仔皇后大道東200號項目：囍歡里

- **Retail GFA: 86,000 sq.ft.**  
零售商舖的總樓面面積：86,000平方呎
- **Lifestyle and wedding related shops**  
生活休閒及嫁娶相關的商店
- **Positive responses from potential tenants**  
獲得潛在租戶正面的回響
- **Target grand opening in 2H2015**  
預計於2015年下半年開幕

Progress	2014	2015	2016	2017	2018 and Beyond
Avenue Walk	2014-1Q2015: Negotiation with potential tenants				
		1Q-3Q 2015: Tenants move in and shop decoration			
			2H2015: Grand opening		
Johnston Tunnel (Avenue Walk → MTR)	2Q2014: Approved by Government and under construction. Planned to complete construction in 2017				
Queen's Road East Tunnel (Avenue Walk → Hopewell Centre)	Applying for Government approval and planned to complete construction in 2019				

The background features a low-angle, upward-looking perspective of several modern skyscrapers with glass facades, set against a clear blue sky with light clouds. The buildings are arranged in a way that they appear to converge towards the top center of the frame.

# Properties for Sale

銷售物業

### ■ FY14 revenue ↑62% yoy to RMB631m as targeted

2014財政年度的收入按年增長62%至人民幣6.31億元的目標

### ■ Units sold in FY14 and subsequently up to 14 Aug 2014:

在2014財政年度及其後至2014年8月14日所售出單位：

- ◆ Including 396 apartments (44,500 sq.m.), average selling price ↑4%\* to RMB9,200/sq.m.

包括396個高層洋房單位 (44,500平方米)，平均售價上升4%至每平方米人民幣9,200元

- ◆ Total sales of RMB418m

總銷售額為人民幣4.18億元

Sales booking	Booked in FY14	Target for FY15
Floor area	67,600 sq.m.	57,400 sq.m.
Revenue	RMB631m	RMB590m

### ■ Plans to strengthen marketing for the sales in FY15

計劃加強市場銷售推廣以提升2015財政年度的銷量

### ■ Currently studying various options for the development of the commercial strip with permissible GFA of 150,000 sq.m. (1.6M sq.ft.)

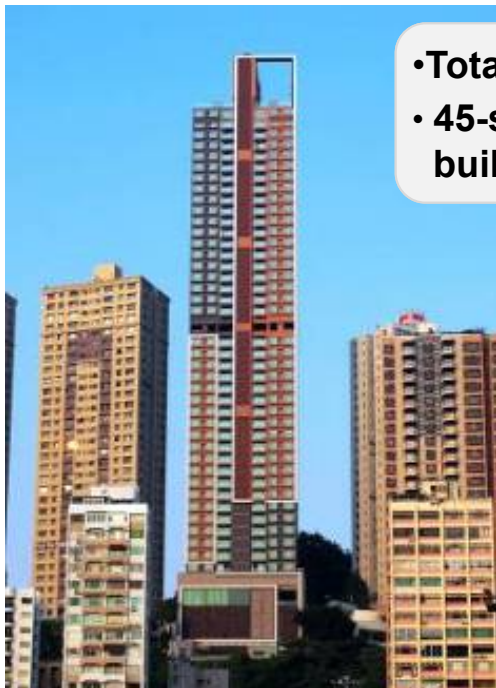
現正研究不同方案以發展總樓面面積150,000平方米 (160萬平方呎) 的商業帶

\* Compare to units sold in FY13

# Broadwood Twelve, Happy Valley - Residential



樂天峯, 跑馬地(住宅)



Broadwood Twelve

- Total GFA approx. 113,900sq.ft.
- 45-storey luxury apartment building with 76 units



Broadwood Twelve's location

## Updates 最新概況

- **As of 14 Aug 2014,**
  - ◆ **Sold 59 out of 76 units, with sales proceeds \$2.7b<sup>N1</sup>**

截至2014年8月14日, 76個單位中已售出59個單位, 帶來港幣27億元的收益
  - ◆ **Average selling price of units sold:**

已售出單位的平均售價

    - **\$34,100/sq.ft. (saleable area)**

每平方呎港幣34,100元 (實用面積計)
  - ◆ **9 unsold units leased at average monthly rental rate of \$67/sq.ft. (saleable area)**

已租出9個未售出的單位, 平均每平方呎月租港幣67元 (實用面積計)

    - **The leased units are still available for sale**

已租出的單位仍然可供銷售
- **Sales brochure of unsold units uploaded on website in Aug 2014 and ready for sales re-launch**

於2014年8月, 未售出單位的售樓書已上載至網站, 準備重新推售

N1: Includes carpark

The background features a low-angle, upward-looking perspective of several modern skyscrapers with glass facades, set against a clear blue sky with light clouds. The buildings are arranged in a way that creates a sense of height and architectural scale.

# Financial Highlights

財務摘要

# Sound Financial Plan



## 穩健的財務計劃

Projects	Target Completion	Total Investment <sup>N1</sup> HK\$'M	Interest %	HHL's Injection FY15 to FY16 <sup>N1</sup> HK\$'M
<b><u>Hong Kong</u></b>				
200 Queen's Road East Project	2015	9,600	50%	No need to inject further funds
Hopewell Centre II	2018	9,000	100%	1,440 (FY15 \$180; FY16 \$1,260)
Wan Chai projects <sup>N2</sup>	Development plan under study			170
<b>TOTAL</b>				<b>1,610</b>

N1: Present planning, subject to change

N2: Including 155-167 Queen's Road East projects, Schooner Street, Miu Kang Terrace, etc.

### ■ Abundant financial resources well cover the capital need of projects under development:

充裕的財務資源足夠應付發展中項目的資本需要：

- ◆ **Healthy cash-flow from prime-earning businesses**  
重點收益業務帶來穩健的現金流
- ◆ **Proceeds from property sales of The Avenue, Broadwood Twelve and Hopewell New Town**  
出售囍滙、樂天峯及合和新城帶來的銷售收益
- ◆ **HK\$3b committed banking facilities maturing in 2018**  
已承諾銀行貸款港幣30億元，將於2018年到期

# Hidden Value from Hotels and HHI Business

酒店及合和公路基建業務的隱藏價值

## Valuation upside from recognising hotels and HHI business' market values

以市場價值計算酒店及合和公路基建業務，可提升估值

Balance Sheet Highlights as at 30 June 2014 (HK\$ in million)	HHI Business	HHL - Other Businesses	HHL Group Total
Completed investment properties	-	26,839	26,839
Panda Hotel	-	370	370
Hopewell Centre II (properties under development)			
- Commercial portion		4,411	4,411
- Hotel portion		2,233	2,233
Properties for development	-	1,233	1,233
Interests in JVs (Toll Roads & Power Plant)	7,894	1,090	8,984
Other assets/liabilities	1,443	1,379	2,822
Non-controlling interests	(2,972)	(145)	(3,117)
Shareholders' equity	6,365	37,410	43,775
			(HK\$50.2/share)*
<b>Total hidden value</b>			<b>7,453</b> (HK\$8.6/share)*
<b>Adjusted shareholders' equity (unaudited)</b>			<b>51,228</b> (HK\$58.8/share)*

As at 30 June 2014	Panda Hotel	HC II hotel portion	HHI Business
Market value	\$3,400m \$3.7m/room <i>DTZ valuation report</i>	\$4,856m \$4.7m/room <i>DTZ valuation report</i>	\$8,165m  2,099m shares (HHL's 68.1% stake) x HHI's market price @HK\$3.89 as of 30.6.2014
Book value	\$370m \$0.4m/room <i>at cost less depreciation</i>	\$2,233m \$2.2m/room <i>at cost</i>	\$6,365m  <i>at cost less depreciation</i>
Hidden value	\$3,030m \$3.5/share*	\$2,623m \$3.0/share*	\$1,800m \$2.1/share*

**Total: \$7,453m**  
\$8.6/share\*

**7,453**  
(HK\$8.6/share)\*

\* No. of HHL shares in issue: 871 million (as of 30 June 2014)

# 200 Queen's Road East Project, Wan Chai - Residential Sales Booking

灣仔皇后大道東200號項目：住宅銷售入賬

## ■ Residential sales scheduled to be booked in:

住宅銷售款項預計的入賬時間：

- ◆ **FY15: Phase 1 (Site B)  
(sold 96,000 sq.ft.)\* + completion gain of retail portion**

2015財政年度：第1期 (地盤B) (已售出96,000平方呎) + 零售部分的落成收益

- ◆ **FY16: Phase 2 (Site A)  
(sold 478,000 sq.ft.)\***

2016財政年度：第2期 (地盤A) (已售出478,000平方呎)



# Special Final Dividend in Specie

- 1 HHI share for every whole multiple of 20 HHL shares held

以實物派付特別末期股息：即每持有完整20股的合和實業股份可獲發1股合和公路基建股份

## ■ Rationale:

原因：

- ◆ **Increase market liquidity of HHI shares**

增加合和公路基建股份的市場流通量

- ◆ **Broaden shareholder base of HHI**

擴闊合和公路基建股東的基礎

**~ End of Presentation ~**

A low-angle, upward-looking photograph of several modern skyscrapers against a bright blue sky with light clouds. The buildings are arranged in a way that they appear to converge towards the top of the frame, creating a sense of height and scale. The text 'Supplementary Information' is overlaid in the center of the image.

# Supplementary Information

# Reconciliation of Revenue & Results with Consolidated Statement of Comprehensive Income



收入及業績與綜合全面收益表對賬

(HK\$ in million)	Revenue 收入		Results 業績	
For the year ended 30-Jun 截至6月30日止年度	2013	2014	2013	2014
<b>Revenue/EBIT per "HHL Results" slide</b> 按照"合和實業業績"投影片的財務回顧的收入/除利息及稅項前溢利	6,148	5,992	4,150	1,920
<b>Less: 減:</b>				
Sales proceeds of Broadwood Twelve units 樂天峯單位銷售收益	(544)	-	-	-
Treasury income 庫務收入	(257)	(247)	-	-
<b>Shares of revenue of JVs engaged in</b> 應佔合營企業之收入				
- Toll road 收費公路	(2,244)	(2,419)	-	-
- Power plant 電廠	(1,378)	(1,233)	-	-
<b>Add: 加:</b>				
Fair value gain of completed investment properties 已落成投資物業公平值收益	-	-	8,725	125
Finance costs 財務成本	-	-	(107)	(100)
<b>Turnover/Profit before taxation per Consolidated Statement of Comprehensive Income</b> 按照綜合全面收益表的營業額/除稅前溢利	1,725	2,093	12,768	1,945

# Investment Properties and Hospitality Revenue

投資物業和酒店餐飲的收入

(HK\$ in million) For the year ended 30-Jun	Revenue*		yoy change
	2013	2014	
<b>Investment Properties</b>			
Rental income - office	268	<b>328</b>	+22%
Rental income - retail	225	<b>241</b>	+7%
Rental income - residential	73	<b>76</b>	+4%
Convention and exhibition	59	<b>55</b>	-7%
Air conditioning & management fee	130	<b>137</b>	+5%
Carpark & others	43	<b>53</b>	+23%
<b>Investment Properties sub-total</b>	<b>798</b>	<b>890</b>	<b>+12%</b>
<b>Hospitality</b>			
Room Revenue	245	<b>234</b>	-4%
Restaurants, catering operations and others	217	<b>220</b>	+1%
<b>Hospitality sub-total</b>	<b>462</b>	<b>454</b>	<b>-2%</b>
<b>Total</b>	<b>1,260</b>	<b>1,344</b>	<b>+7%</b>

# Sound Financial Plan

穩健的財務計劃



## ■ Solid financial position for projects under development

穩健的財務狀況應付發展中項目需要

<b><u>HHL Corporate Level</u></b> 合和實業公司層面	<b><u>30-Jun-13</u></b> HK\$'M	<b><u>30-Jun-14</u></b> HK\$'M
<b>Cash</b> 現金	<b>3,487</b>	<b>4,194</b>
<b>Available Committed Banking Facilities</b> 可動用承諾銀行貸款額	<b>1,420</b>	<b>-</b>
<b>Cash + Available Committed Banking Facilities</b> 現金+可動用承諾銀行貸款額	<b>4,907</b>	<b>4,194</b>
<b>Net Debt</b> 淨債務	<b>2,172</b>	<b>1,056</b>
<b>Net Gearing Ratio<sup>#</sup> (%)</b> 淨資產負債比率	<b>6%</b>	<b>3%</b>

<sup>#</sup> Net debt / Shareholders' equity (excl. equity shared from HHI)

# Hopewell Centre, Wan Chai

灣仔合和中心



## For FY14 vs FY13

---

- **Average overall occupancy rate at 96% in FY14**  
2014財政年度的總體平均出租率為96%
- **Higher rental rates on renewals and new leases of office and retail**  
寫字樓和商舖續租及新租約的租金均上升



# Hopewell Centre, Wan Chai - Office

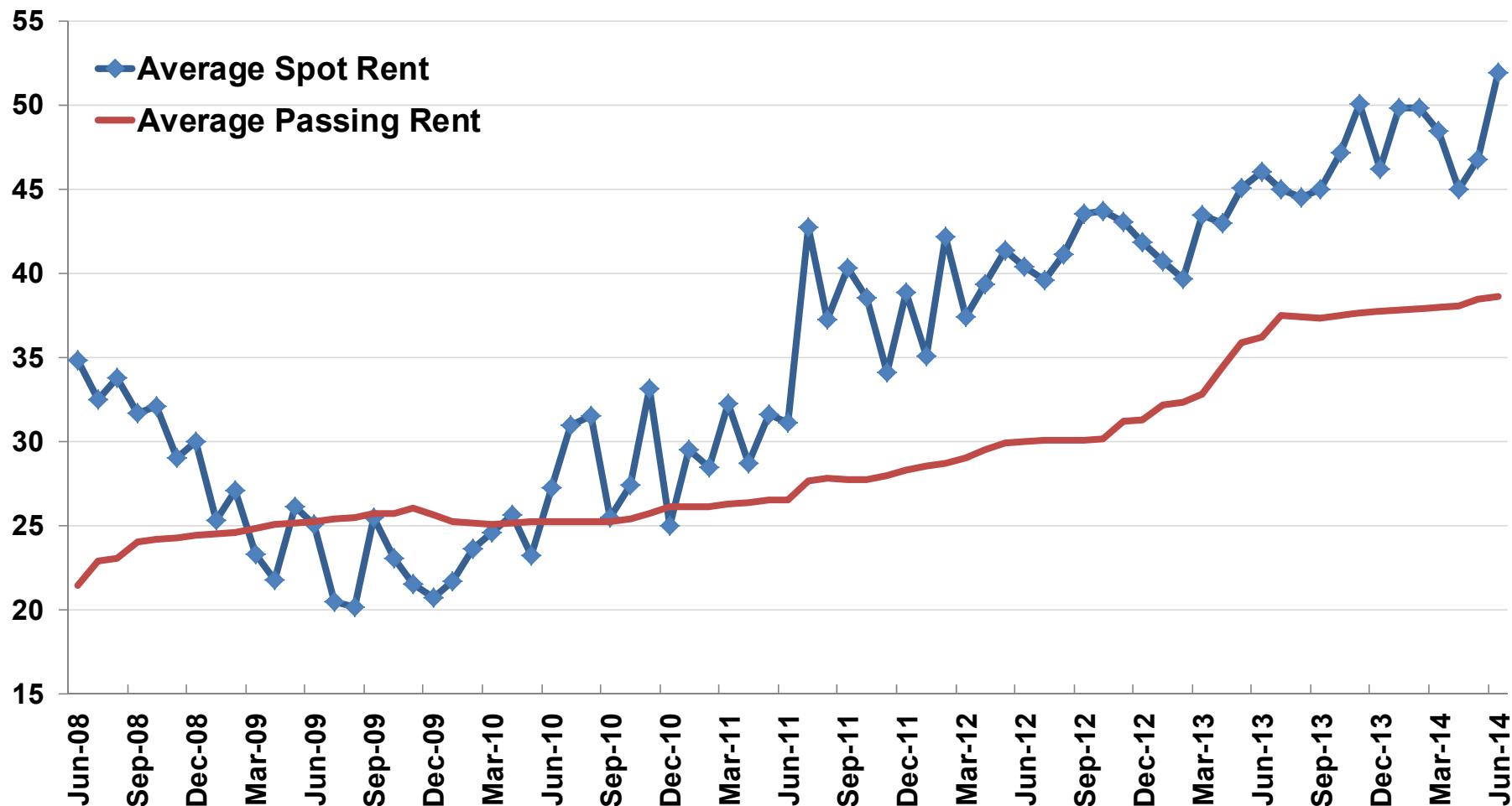


## – Average Spot and Average Passing Rent Trend

灣仔合和中心寫字樓：平均市值租金及平均現收租金走勢

### Average Spot & Average Passing Rent (FY09 – FY14)

(HK\$/sq.ft.)





# QRE Plaza, Wan Chai – Commercial

灣仔QRE Plaza (商業)

- **Total GFA approx. 77,000ft<sup>2</sup>**  
總樓面面積約77,000 平方呎
- **Completed in Nov 2007**  
於2007年11月完工

## Updates 最新概況

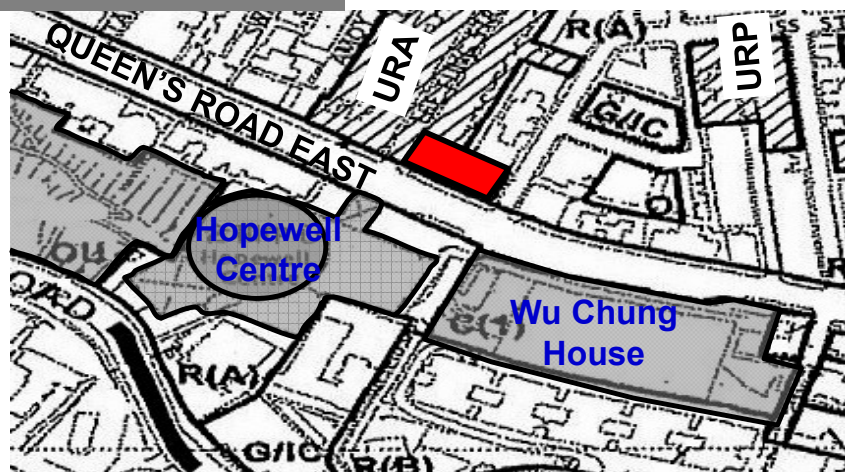
- **25-storey commercial building – offering dining and lifestyle services**  
25層高提供飲食及休閒生活服務的商業大廈
- **Introduced a new duplex Irish pub**  
引入新的雙層愛爾蘭酒吧
  - ◆ **Enrich the nightlife scene at The East**  
使The East 的夜生活更添氣氛
- **Cuisine variety has extended to Korean and Italian**  
菜色種類擴大至韓國菜和意大利菜



Footbridge linking QRE Plaza, Hopewell Centre & Wu Chung House



QRE Plaza main entrance lobby



QRE Plaza's location



O'Phillie's Irish restaurant & pub

# GardenEast, Wan Chai – Serviced Apartment



灣仔GardenEast (服務式住宅)

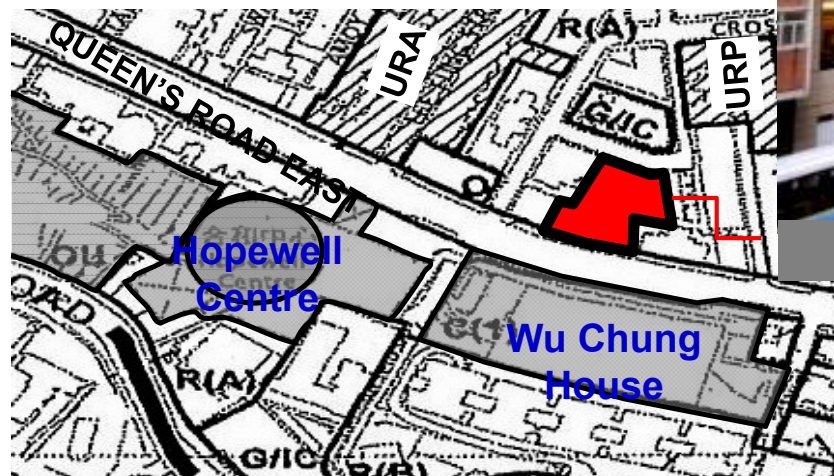
## ■ 28-storey premium serviced apartments with 216 units

樓高28層、擁有216個優質服務式住宅單位



GardenEast

- Total GFA approx. 96,500ft<sup>2</sup>  
總樓面面積約96,500 平方呎
- Operations started in Feb 2009  
於2009年2月開始營運



GardenEast's location



Showflat

# Top-notch Brand: Success of the East

成功地建立高檔品牌：The East

- **Retail elements at the heart of Queen's Road East in Wan Chai**  
一個位於灣仔皇后大道東中心地帶的零售集中地
- **Hopewell Centre, QRE Plaza, Wu Chung House and GARDENEast converges into an interconnected zone of superb dining and entertainment**  
由位於合和中心、QRE Plaza、胡忠大廈及GardenEast之眾多一流餐飲，娛樂和零售商舖所組成的一個相互聯繫綜合區
- **Brand enhancement by introducing quality tenants**  
高檔優質的租戶帶動品牌形象提升

the **East**



Rolls-Royce



McLaren



Mini

# KITEC & E-Max, Kowloon Bay

九龍灣國際展貿中心及E-Max

## ■ Benefit from decentralisation trend and government's plan to develop Kowloon East into another CBD

受惠於企業遷離核心區域的趨勢及政府計劃將九龍東發展為另一個核心商業區

Office total GFA approx. 750,000ft<sup>2</sup>

寫字樓總樓面面積約750,000平方呎

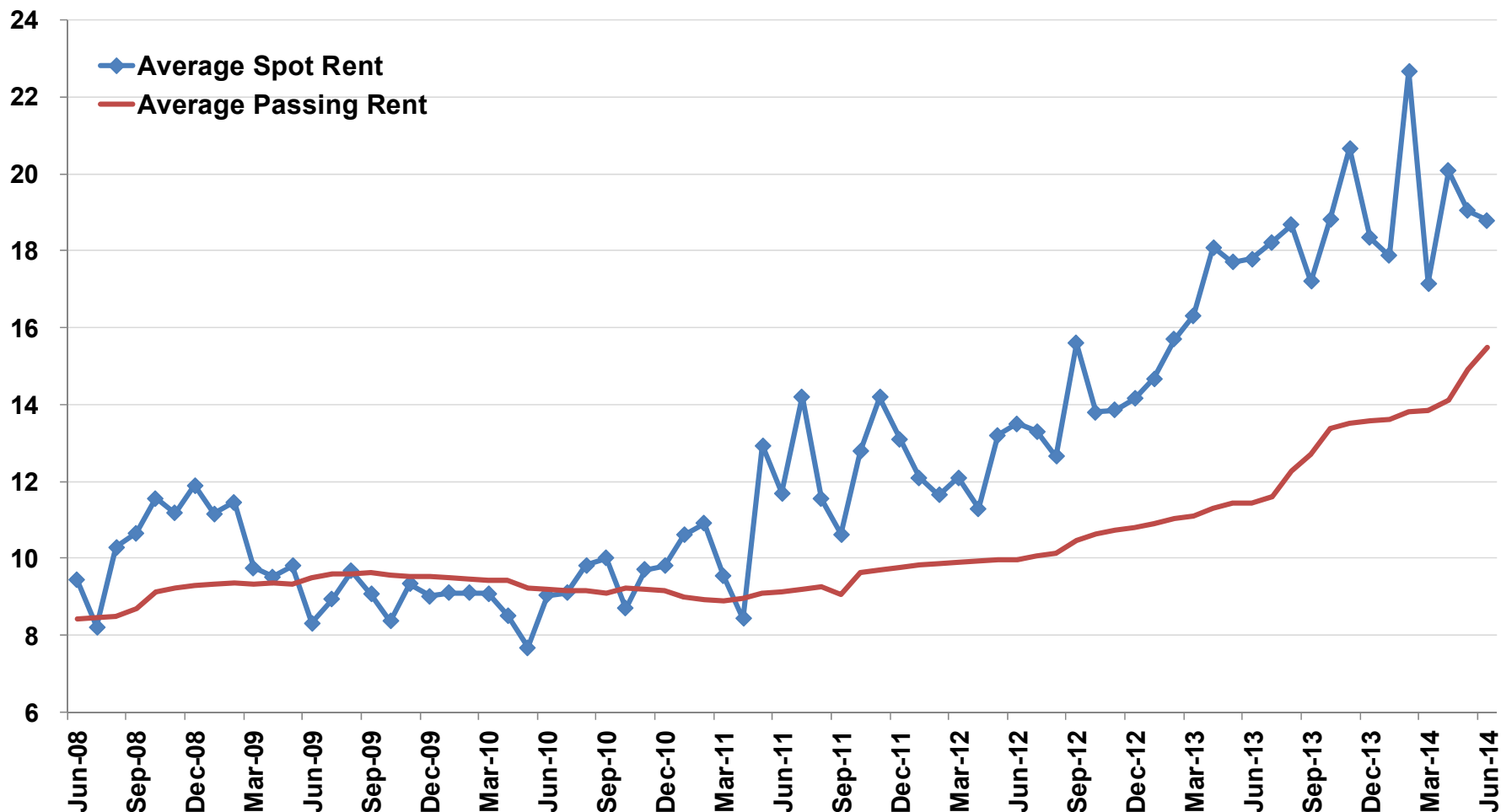


## – Average Spot and Average Passing Rent Trend

九龍灣國際展貿中心寫字樓：平均市值租金及平均現收租金走勢

### Average Spot & Average Passing Rent (FY09 – FY14)

(HK\$/sq.ft.)



# KITEC & E-Max, Kowloon Bay

## 九龍灣國際展貿中心及E-Max

- E-Max total GFA approx. 760,000sq.ft.\*
- Opened in 2H CY07



E-Max events



**Star Hall**  
30,000sq.ft. & accommodating  
3,600 people



Concerts (Star Hall)

\* Exclude C&E area

## E-Max



- **Further upgrade the tenant mix on G/F and 2/F to well known brands**

進一步優化地下及2樓的租戶組合，以吸引知名品牌

## C&E and Entertainment 會議及展覽和娛樂

- **C&E and entertainment revenue fell 7% yoy to HK\$55m in FY14 due to:**

2014財政年度的展覽及會議收入按年下跌7%至港幣5,500萬元；主要由於

- ◆ **One-off income from government election events in Sep and Oct 2012**

在2012年9月和10月，一次性的政府競選活動收入

- ◆ **Renovation of Rotunda 2 in Apr-Jun 2014**

在2014年4月至6月期間，展覽廳2 進行翻新工程

- **Venue for concerts, exhibitions, conferences, banquets**

場地可供舉辦演唱會、展覽會、會議、宴會

# KITEC - Benefits from Government's "Energizing Kowloon East" Initiatives



九龍灣國際展貿中心：受惠於政府積極推動「起動九龍東」

## ■ Develop Kowloon East into another CBD

將九龍東發展成另一個核心商業區

### ◆ Some Government departments already relocated to Kowloon East

某些政府部門已遷移至九龍東

## ■ First berth of Kai Tak Cruise Terminal became operational in Jun 2013

啟德新郵輪碼頭首個泊位於2013年6月開始營運

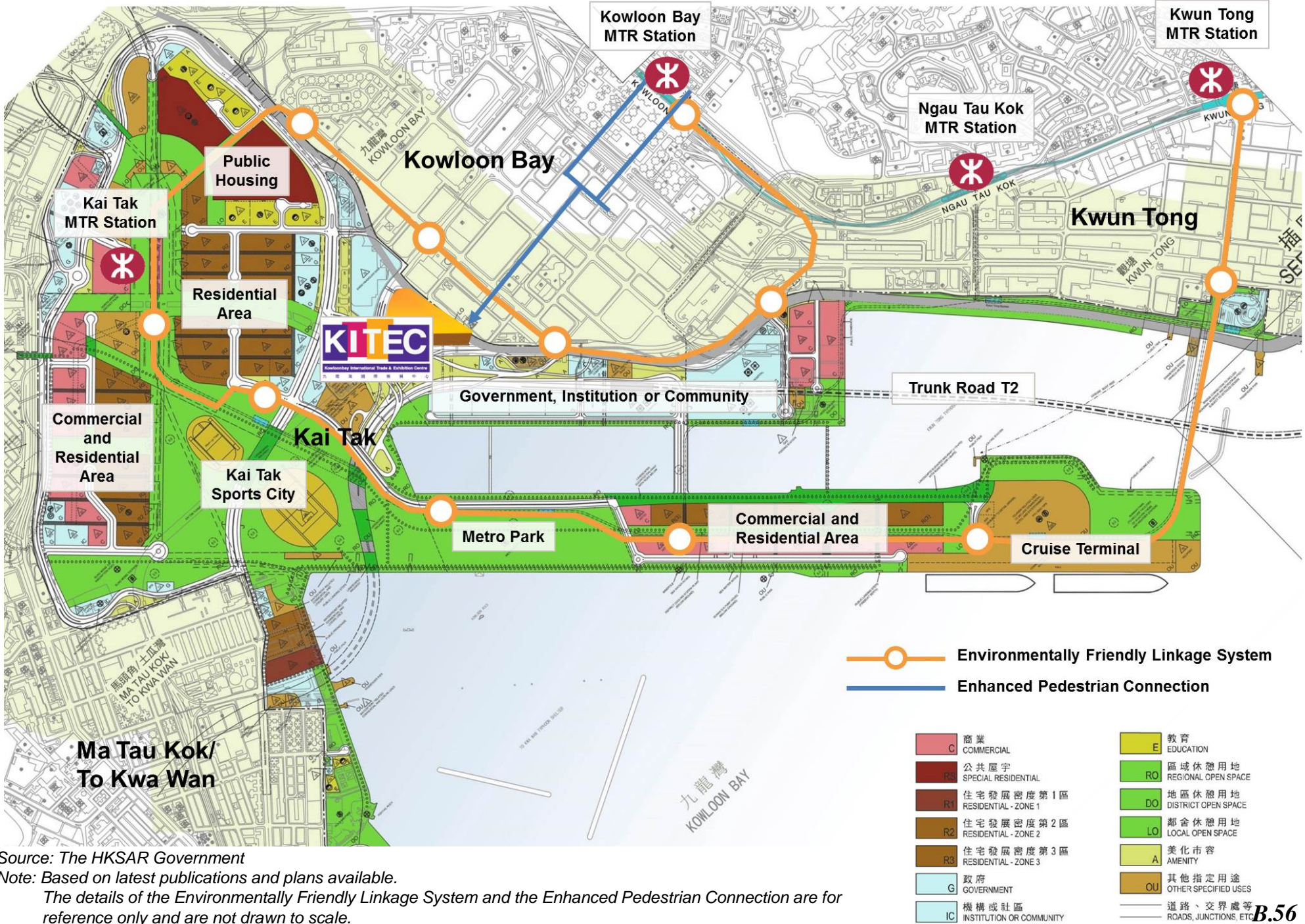
## ■ Proposed Environmentally Friendly Linkage System station adjacent to KITEC

擬建的九龍東環保連接系統車站鄰近九龍灣國際展貿中心

## ■ Proposed Greenery walkway linking MTR Kowloon Bay station to KITEC

擬建的綠化行人道連接九龍灣港鐵站與九龍灣國際展貿中心

# Superb Intra-district Connectivity 緊密連繫各區



Source: The HKSAR Government

Note: Based on latest publications and plans available.

The details of the Environmentally Friendly Linkage System and the Enhanced Pedestrian Connection are for reference only and are not drawn to scale.



# KITEC Benefits from Government's Policy

## "Energizing Kowloon East"

九龍灣國際展貿中心受惠於政府發展計劃「起動九龍東」

2013



**Kai Tak Cruise Terminal - The tourism hub  
1st berth became operational in Jun-13**

啟德郵輪碼頭-旅遊中心點，首個泊位於2013年6月營運

**Tremendous growth in local resident  
population, Site 1A/B- over 13,000 flats  
completed**

該區居民人口數目大幅增長，1A/B期逾13,000個單位落成



2014-2015

**Completion of Kai Tak Gov't Offices  
Accelerate business activities in the area**

啟德政府寫字樓竣工，加快該區商業活動



**Kwun Tong Promenade Stage 2  
Offers quality open space and waterfront**  
觀塘海濱長廊第二期提供優質公眾休憩空間及海濱



After 2015



**MTR Shatin to Central Link  
Develops convenient transport network**

港鐵的沙田至中環線，建立便捷的交通網絡

**Proposed elevated monorail (EFLS)  
Connects areas within Kowloon East**

擬建的高架環保連接系統，連接九龍東內的區域



# Hopewell Centre and KITEC

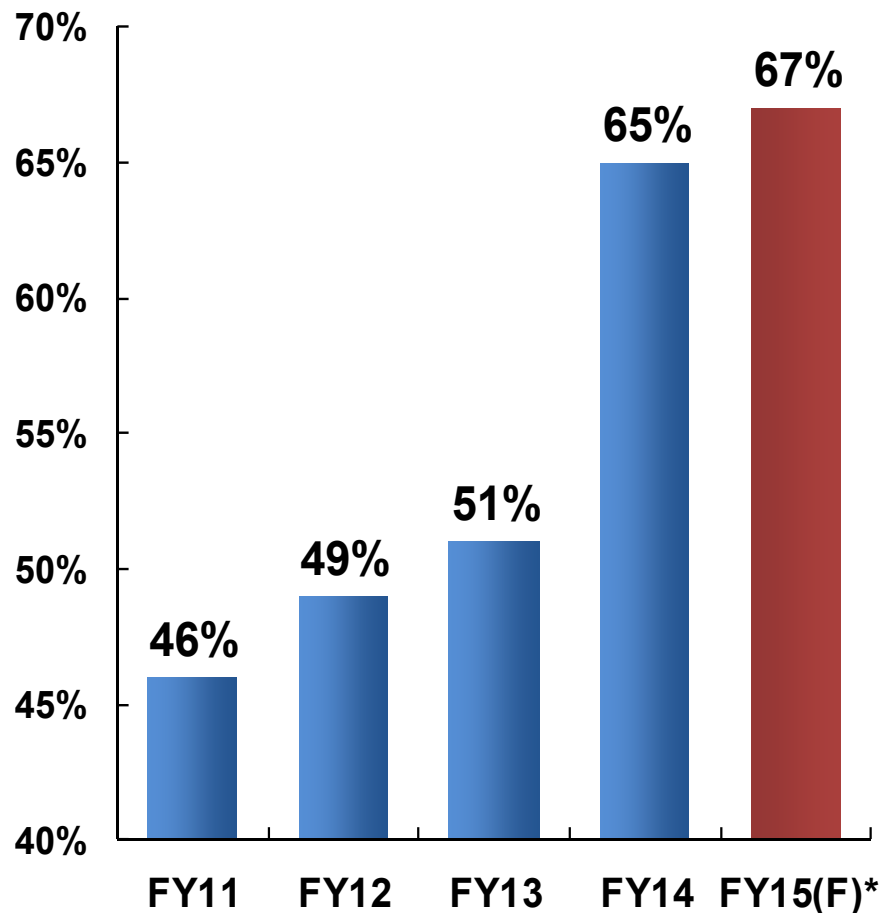


## – Office Sizeable Tenants

合和中心及九展：寫字樓的大型租戶

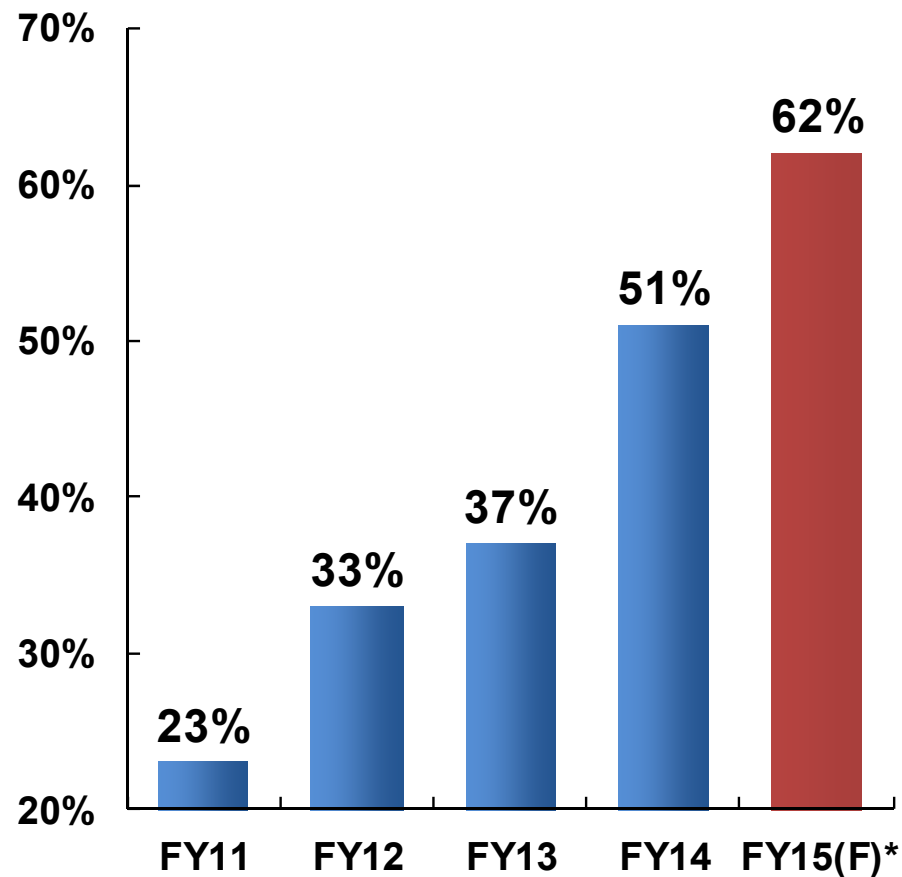
### Sizeable Tenants at Hopewell Centre Office

(% to total office space – occupying 15,000 sq.ft. or above)



### Sizeable Tenants at KITEC Office

(% to total office space – occupying 15,000 sq.ft. or above)



\* Based on contract on hand as at 30 Jun 2014

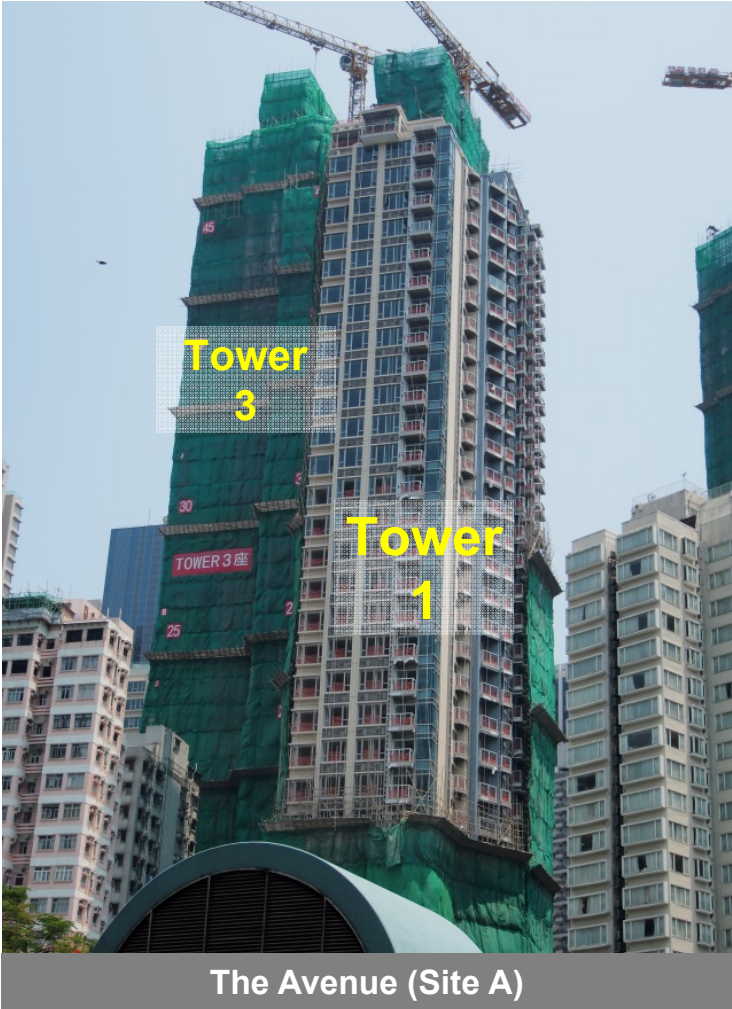
# 200 Queen's Road East Project, Wan Chai

## - Construction Progress

灣仔皇后大道東200號項目：工程進度

- **Superstructure and fitting out works are underway**

上蓋結構及裝修工程正進行中



# Hopewell Centre II, Wan Chai

## - Conference Hotel with ~1,024 rooms

灣仔合和中心二期：擁有約1024間客房的會議酒店

### Updates 最新概況



Hopewell Centre II Perspective\*

- **Currently planned total investment (including land premium) about HK\$9b\***  
現計劃投資總額 (計及補地價) 約為港幣90億元
  - ◆ **Funded by internal resources and/or bank borrowings**  
資金由內部資源及／或銀行借貸提供
- **Synergy to HHL's property portfolio and enhances its recurrent income base**  
為合和實業物業組合帶來協同效應，以及增加經常性收入來源

# Hopewell Centre II - Unlock the Land Value



灣仔合和中心二期：釋放土地價值

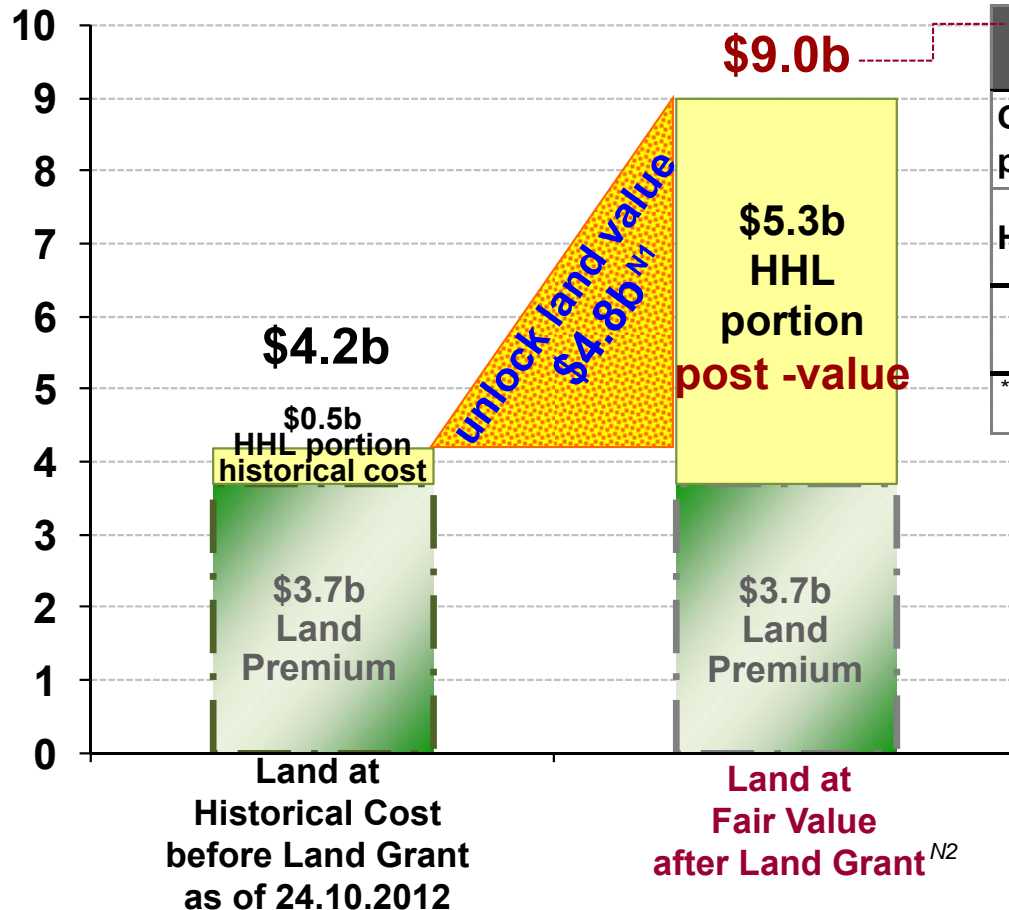
## ■ Unlock \$4.8b<sup>N1</sup> of land value 釋放土地價值為港幣48億元

- ◆ Market's estimated value of land HHL already owns : \$5.3b (after land grant execution)  
vs Book value (at historical cost) : around \$500m (24.10.2012)

合和實業在批地後，已擁有的土地市場估值為港幣53億元，在2012年10月24日的賬面值 (按歷史成本) 約港幣5億元

## Hopewell Centre II – Market's Estimated Land Value

(HK\$ in billion)



	Fair Value HK\$/sq.ft.	GFA sq.ft.	Land Fair Value	Fair Value Mix
Commercial portion*	13,000	335,600	HK\$4.37b	~50%
Hotel portion	6,200	758,700	HK\$4.68b	~50%
<b>Total</b>			<b>HK\$9.05b</b>	<b>100%</b>

\* including retail GFA 298,000 sq.ft. and office GFA 37,000 sq.ft.

N1: Of which a land conversion gain of commercial portion of HK\$2.2b was booked in HHL's profit & loss account in FY13

N2: As of 30.6.2013

# Hopewell New Town, Huadu, Guangzhou

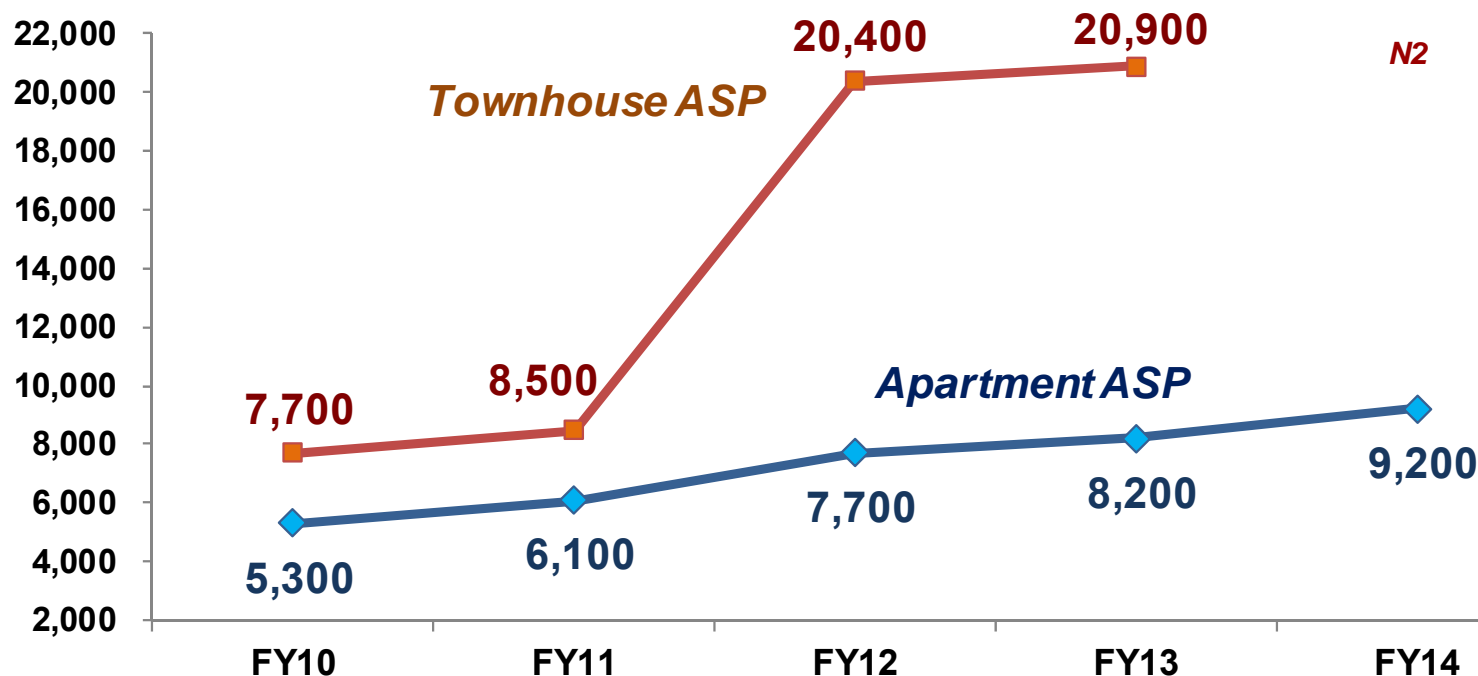
## – Historical Average Selling Price

廣州花都合和新城：歷年平均銷售價格



### Average Selling Price (“ASP”) <sup>N1</sup>

ASP (RMB/sq.m.)



### GFA booked (sq.m.)

Apartment	41,000	56,000	24,500	41,000	67,600
Townhouse	13,000	1,000	13,800	1,700	-

### Units booked

Apartment	366	574	306	333	695
Townhouse	43	4	48	6	-

N1: Represents the average selling price for residential area booked in each financial year

N2: No sales of townhouse booked in FY14

# Hopewell New Town

Huadu, Guangzhou – Residential & Commercial

廣州花都合和新城（住宅及商業）



# Liede Integrated Commercial (Operating Lease) Project

## Zhujiangxincheng, Tianhe District, Guangzhou

廣州天河區珠江新城獵德綜合商業(營業租約)項目

• **Total GFA<sup>N1</sup> approx. 230,000m<sup>2</sup>**

總樓面面積約230,000平方米

• **Signed agreement with Guangzhou Liede Economic Co Ltd**

與廣州市獵德經濟發展有限公司簽訂協議



Liede Project Perspective<sup>N1</sup>



- Close to Guangzhou's new central axis area  
- Located in Guangzhou's CBD

### Updates 最新概況

- **An operating lease arrangement - fixed monthly rental payments**  
營業租約的安排：支付固定月租
- **A high quality commercial complex**  
高級綜合商業項目
- **Construction started during 3Q2011 and planned to complete by end-2016<sup>N2</sup>**  
在2011年第3季已動工，及計劃於2016年底完工
- **Invest not less than RMB1b - fitting out and equipping**  
投資額不少於人民幣10億元：用於裝修及設備

*N1: Present planning, subject to change. Incl. basement car parks.*

*N2: Completion date under the terms of the agreement if the Landlord completes its part of the works and hands over the building by end-2015*



# Heyuan Power Plant, Guangdong

廣東省河源電廠



Heyuan Power Plant

## HHL's Share<sup>N1</sup> of Joint Venture Results

合和實業應佔合營企業業績

(RMB'M) (人民幣百萬元計)	FY13	FY14	yoy
<b>Revenue</b> 營業額	1,111	976	-12%
<b>Net Profit</b> 淨溢利	120	122	+2%

N1: Representing both HHL's effective stake of 35% and the minority interest of 5% in the joint venture

\* Subject to approval by PRC authorities

## Updates 最新概況

### ■ Net profit rose 2% due to fall in coal cost

由於煤炭價格下跌，淨溢利上升2%

◆ **Offset** i) ↓Utilisation rate (slowdown of Guangdong's electricity consumption growth and scheduled maintenance)

◆ **ii) On-grid tariff reduction**

抵銷了 i) 因廣東省用電量增長放緩和電廠定期維修下降，導致使用率下跌；ii) 上網電價下降

### ■ HHL provided shareholder's loans to JV to increase financial resources and reduce finance cost

合和實業提供股東貸款予合營企業，有助進一步增加財務資源及減低財務成本

◆ **Outstanding as of 30.6.14: RMB400m**

截至2014年6月30日，未償還貸款為人民幣4億元

### ■ Stable contribution to HHL given strong power demand in Guangdong in long run

廣東省長遠而言將維持強勁電力需求，為合和實業提供穩定的溢利

### ■ Currently studying Heyuan Power Plant Phase II (2 x 1,000MW coal-fired)\*

現正研究興建河源電廠二期 (兩台1,000兆瓦燃煤發電機組)

# Heyuan Power Plant, Guangdong

## - Key Operating Statistics

廣東省河源電廠: 主要營運數據

### Key Operating Statistics 主要營運數據

	FY13	FY14
<b>Utilisation rate<sup>N1</sup></b> 使用率 <b>(Utilisation hours)</b> (使用小時)	<b>63%</b> <b>(5,520 hours)</b>	<b>56%</b> <b>(4,894 hours)</b>
<b>Gross generation</b> 總發電量	<b>6,600GWh</b> 66億千瓦時	<b>5,900 GWh</b> 59億千瓦時
<b>Availability factor<sup>N2</sup></b> 可利用率	<b>91%</b>	<b>86%</b>
<b>Average on-grid tariff rate</b> <b>(with desulphurisation, excl. VAT)</b> 平均上網電價 (包括脫硫; 但不包括增值稅)	<b>RMB445.3/MWh</b>	<b>RMB440.9/MWh</b> <sup>N3</sup>
<b>Approx. coal cost (5,500 kcal/kg)</b> <b>(incl. transport; excl.VAT)</b> 概約煤價 (每公斤5,500大卡) (包括運費; 但不包括增值稅)	<b>RMB705/ton</b>	<b>RMB633/ton</b>

$N1 = \frac{\text{Gross generation during the year under review}}{\text{Total no. of hours during the year under review} \times \text{Installed capacity}}$

$N2 = \frac{\text{The no. of available hours for electricity generation during the year under review}}{\text{Total no. of hours during the year under review}}$

N3: With denitrification tariff: Unit 1 – from 7 Jan 2014; Unit 2 – during the year under review

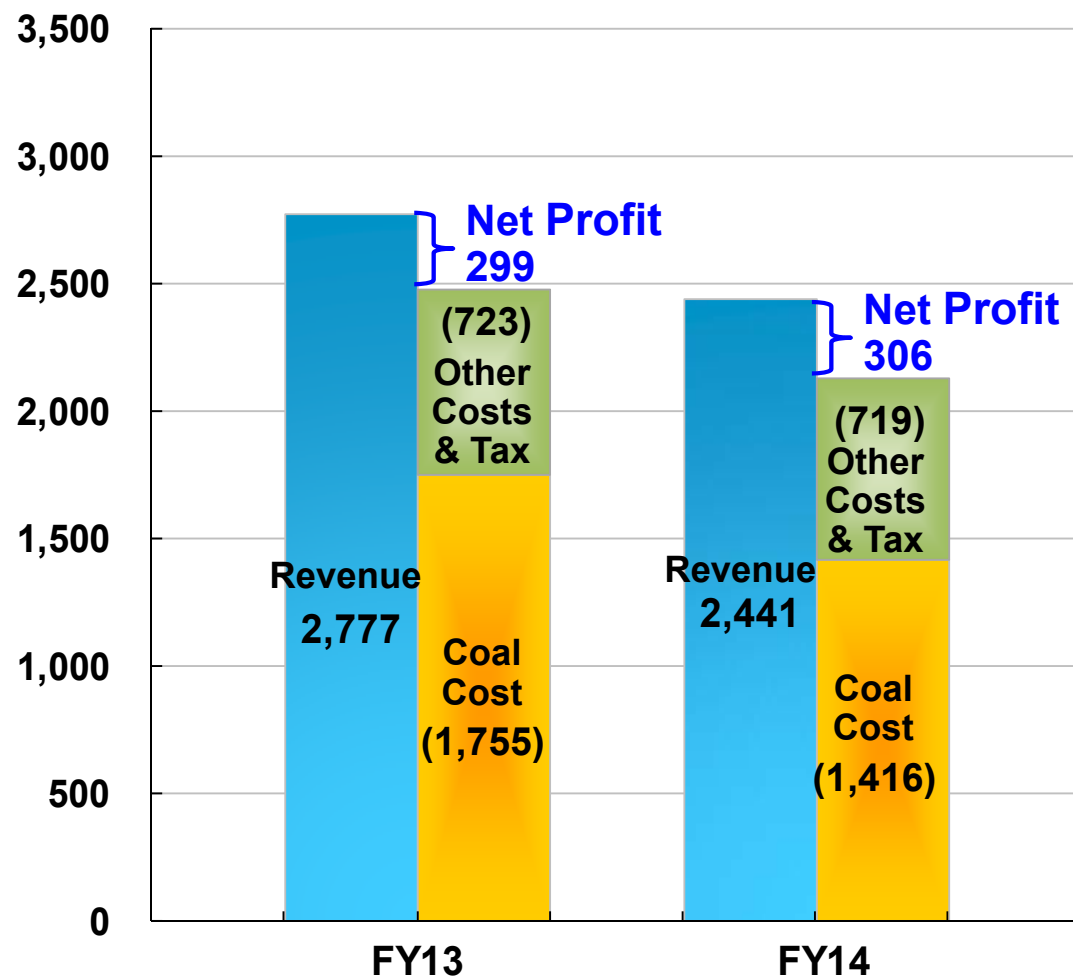
# Heyuan Power Plant, Guangdong

## - P&L Highlight 廣東省河源電廠：收益表摘要



### P&L Highlight - Joint Venture Level 100%

(RMB in million)



### P&L Highlight – HHL's share

JV Level	FY13 RMB'M	FY14 RMB'M
Revenue	2,777	2,441
Coal cost	(1,755)	(1,416)
Other costs & tax	(723)	(719)
<b>Net profit</b>	<b>299</b>	<b>306</b>

HHL's share*		
• Revenue	1,111	976
• Net profit	120	122

\* Representing both HHL's effective stake of 35% and minority interest of 5% in the joint venture

# Corporate Sustainability

企業可持續發展



## Awards and Recognitions – Highlights

獎項及嘉許：重點

- **HHL was selected as a constituent stock of the Hang Seng Corporate Sustainability Index. Both HHL and HHI were selected as constituent stocks of the Hang Seng Corporate Sustainability Benchmark Index for three consecutive years**

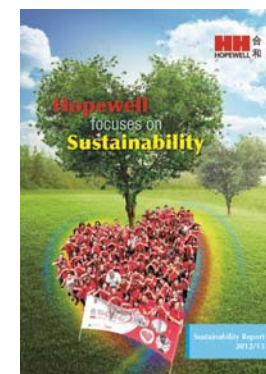
合和實業有限公司獲納入恒生可持續發展企業指數成份股，合和實業有限公司及合和公路基建有限公司亦連續三年獲選為恒生可持續發展企業基準指數成份股

- **HHL Sustainability Report 2012/13 achieved GRI B+ level**

合和實業的2012/13年度可持續發展報告被評定達至全球報告倡議組織（GRI）B+級水平

- **HHL was awarded “Best IR” and “Best CSR” awards at the 4th Asian Excellence Recognition Awards 2014. Mr. Thomas Wu, Managing Director of HHL, was again awarded the “Asia’s Best CEO (Investor Relations)”**

合和實業有限公司於第四屆 Asian Excellence Recognition Awards（亞洲卓越表揚大獎）中，榮獲「Best IR」及「Best CSR」大獎，而公司董事總經理胡文新先生則再度獲選為香港區「亞洲最佳行政總裁」（投資者關係）



# Corporate Sustainability (Cont'd)

## 企業可持續發展 (續)

- Two new **45-seater electric coaches** were purchased under the Government's Pilot Green Transport Fund and put into shuttle service at E-Max

通過政府的綠色運輸試驗基金引入兩輛全新的45座位電動巴士，並於E-Max提供穿梭巴士服務



- Provided a **variety of staff functional training and workshops** in areas such as corporate governance, risk management and soft skills

為員工提供廣泛的職務功能培訓和工作坊，例如企業管治、風險管理、軟技能等



- A **new intranet platform** with built-in social media features was launched to further enhance staff communication and engagement as well as work efficiency

推出全新具有社交媒體功能的內聯網平台，進一步提升與員工的溝通、參與及工作效率



- HHL was honoured with **“Family-Friendly Employee Award (Corporations Category)”** in the 2013/14 Family-Friendly Employers Award Scheme

合和實業有限公司獲家庭議會頒發「2013/14年度家庭友善僱主獎勵計劃－家庭友善僱主」企業組獎項



~ **END** ~