

The directors of the Company (the "Directors" or the "Board") are pleased to present to the shareholders their report together with the audited consolidated financial statements of the Company and its subsidiaries (the "Group") for the year ended 31st December, 2014 (the "Year").

PRINCIPAL ACTIVITIES

During the Year, the Company acted as an investment holding company and its subsidiaries were principally engaged in property investment and development, brokerage, securities investment, money lending and cosmetics distribution and trading.

OPERATING SEGMENTS INFORMATION

The Group's revenue and contribution to profit for the Year from operations analysed by principal activities are set out in Notes 7 and 8 to the consolidated financial statements.

SUBSIDIARIES AND ASSOCIATES

Particulars of the Company's principal subsidiaries and associates as at 31st December, 2014 are set out in Notes 52 and 53 to the consolidated financial statements respectively.

RESULTS AND APPROPRIATIONS

The results of the Group for the Year are set out in the consolidated statement of comprehensive income on pages 83 and 84.

The Board had declared and paid an interim dividend of HK30 cents per share (payment date: 24th September, 2014) (2013: HK20 cents per share) and a special interim dividend of HK\$2.55 per share (payment date: 31st October, 2014) (2013: HK\$1.3 per share); and declared a special interim dividend of HK\$4 per share (payment date: 13th January, 2015). The Board resolved to recommend the payment of a final dividend of HK1 cent per share (2013: HK50 cents per share) for the Year.

FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the last five years is set out on pages 249 and 250.

PRINCIPAL PROPERTIES

Details of the principal properties of the Group as at 31st December, 2014 are set out on pages 251 to 260.

PROPERTIES AND OTHER FIXED ASSETS

Movements in properties and other fixed assets during the Year are set out in Note 23 to the consolidated financial statements.

本公司董事（「董事」或「董事會」）欣然向股東提呈董事會報告書連同本公司及其附屬公司（「本集團」）截至二零一四年十二月三十一日止年度（「本年度」）之經審核綜合財務報表。

主要業務

於本年度內，本公司為一間投資控股公司，其附屬公司主要從事物業投資及發展、經紀服務、證券投資、放債及化妝品分銷及貿易業務。

營運分類資料

本集團以主要業務劃分之收益及本年度經營溢利分析載於綜合財務報表附註7及8。

附屬公司及聯營公司

本公司於二零一四年十二月三十一日之主要附屬公司及聯營公司之詳情，分別載於綜合財務報表附註52及53。

業績及分配

本集團於本年度之業績載於第83及第84頁之綜合全面收益報表內。

董事會已宣派並支付中期股息每股30港仙（派息日：二零一四年九月二十四日）（二零一三年：每股20港仙）與特別中期股息每股2.55港元（派息日：二零一四年十月三十一日）（二零一三年：每股1.3港元）；及宣派特別中期股息每股4港元（派息日：二零一五年一月十三日）。董事會議決建議派發本年度之末期股息每股1港仙（二零一三年：每股50港仙）。

財務概要

本集團過去五年之業績、資產及負債概要載於第249及第250頁。

主要物業

本集團於二零一四年十二月三十一日之主要物業詳情載於第251至第260頁。

物業及其他固定資產

物業及其他固定資產於本年度內之變動情況載於綜合財務報表附註23。

INVESTMENT PROPERTIES

During the Year, the Group acquired a leasehold property in Mainland China at a consideration of approximately HK\$29,499,000 (2013: Nil). Investment properties with an aggregate carrying amounts of approximately HK\$68,434,000 (2013: HK\$1,053,823,000) were disposed of during the Year.

Details of the above and other movements in investment properties during the Year are set out in Note 22 to the consolidated financial statements.

SHARE CAPITAL

Movements in the share capital of the Company during the Year are set out in Note 41 to the consolidated financial statements.

RESERVES

Movements in the reserves of the Group during the Year are set out on pages 88 to 91.

As at 31st December, 2014, the Company's reserves available for distribution, calculated in accordance with the Companies Act 1981 of Bermuda (as amended), amounted of approximately HK\$2,963,515,000 (2013: HK\$7,361,485,000).

GROUP BORROWINGS AND INTEREST CAPITALISED

Details of bank loans and other loans repayable within one year or on demand and long-term secured bank loans and other loans are shown in Note 39 to the consolidated financial statements.

Interest capitalised during the Year by the Group amounted to HK\$142,287,000 (2013: HK\$134,229,000).

PRE-EMPTIVE RIGHTS

No pre-emptive rights exist under the laws of Bermuda, being the jurisdiction in which the Company is incorporated.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the Year, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

投資物業

於本年度內，本集團在中國大陸購入一租賃物業，代價約為29,499,000港元（二零一三年：無）。本集團於本年度內出售總賬面值約68,434,000港元（二零一三年：1,053,823,000港元）之投資物業。

上述及其他投資物業於本年度內之變動詳情載於綜合財務報表附註22。

股本

本公司之股本於本年度內之變動情況載於綜合財務報表附註41。

儲備

本集團之儲備於本年度內之變動情況載於第88至第91頁。

於二零一四年十二月三十一日，根據百慕達一九八一年公司法（經修訂）之規定所計算，本公司可供分派之儲備約為2,963,515,000港元（二零一三年：7,361,485,000港元）。

集團借貸及撥充資本化之利息

須於一年內或按通知償還之銀行貸款及其他貸款之詳情及有抵押的長期銀行貸款及其他貸款之詳情載於綜合財務報表附註39。

本集團於本年度撥充資本化之利息為142,287,000港元（二零一三年：134,229,000港元）。

優先購買權

本公司於百慕達註冊成立，該司法管轄區之法律並無存在優先購買權。

購買、出售或贖回本公司之上市證券

於本年度內，本公司或其任何附屬公司概無購買、出售或贖回本公司之任何上市證券。

CHARITABLE DONATIONS

Charitable donations made by the Group during the Year amounted to HK\$1,113,000 (2013: HK\$35,956,000).

MAJOR CUSTOMERS AND SUPPLIERS

The aggregate turnover attributable to the Group's five largest customers amounted to less than 30% of the Group's total turnover for the Year.

The aggregate purchases attributable to the Group's largest supplier and five largest suppliers accounted for approximately 36% and 56% of the Group's total purchases for the Year respectively.

At no time during the Year did a Director, a close associate of a Director or a shareholder of the Company (which to the knowledge of the Directors own more than 5% of the Company's share capital) have an interest in any of the Group's five largest suppliers.

DIRECTORS

The Directors during the Year and up to the date of this directors' report are:-

Executive Directors:

Mr. Joseph Lau, Luen-hung
(resigned as Executive Director, Chairman and Chief Executive Officer on 14th March, 2014)

Mr. Lau, Ming-wai (Chairman and Chief Executive Officer)
(re-designated from Non-executive Director to Executive Director and appointed as Chairman and Acting Chief Executive Officer on 14th March, 2014; further re-designated from Acting Chief Executive Officer to Chief Executive Officer on 15th April, 2014)

Ms. Chan, Sze-wan

Mr. Lam, Kwong-wai

Ms. Lui, Lai-kwan

Non-executive Director:

Ms. Amy Lau, Yuk-wai

Independent Non-executive Directors:

Mr. Chan, Kwok-wai

Ms. Phillis Loh, Lai-ping

Mr. Ma, Tsz-chun

Ms. Chan, Sze-wan, Mr. Lam, Kwong-wai and Ms. Amy Lau, Yuk-wai will retire from office by rotation at the forthcoming annual general meeting pursuant to Bye-law 111 of the Bye-laws of the Company and Mr. Lau, Ming-wai will retire from office voluntarily at such annual general meeting, all being eligible and offer themselves for re-election. The relevant details of Mr. Lau, Ming-wai's voluntary retirement are stipulated on page 43 of Corporate Governance Report of this annual report.

慈善捐款

本集團於本年度內之慈善捐款額為1,113,000港元(二零一三年: 35,956,000港元)。

主要客戶及供應商

本集團五大客戶之累計營業額佔本集團於本年度之營業總額少於30%。

本集團之最大供應商及五大供應商之累計購貨額分別約佔本集團本年度之購貨總額之36%及56%。

董事、董事之緊密聯繫人或本公司股東(據董事所知擁有本公司股本超過5%)概無於本年度內任何時候於本集團五大供應商之中擁有權益。

董事

於本年度內及直至本董事會報告書日期止, 董事為: -

執行董事:

劉鑾雄先生

(於二零一四年三月十四日辭任執行董事、主席及行政總裁職務)

劉鳴煒先生(主席及行政總裁)

(於二零一四年三月十四日由非執行董事調任為執行董事, 並獲委任為主席及署理行政總裁; 其後於二零一四年四月十五日由署理行政總裁調任為行政總裁)

陳詩韻女士

林光蔚先生

呂麗君女士

非執行董事:

劉玉慧女士

獨立非執行董事:

陳國偉先生

羅麗萍女士

馬時俊先生

根據本公司之公司細則第111條, 陳詩韻女士、林光蔚先生及劉玉慧女士將在即將舉行之股東週年大會上輪席告退為董事, 而劉鳴煒先生將在該股東週年大會上自願退任為董事; 彼等均合資格及願意膺選連任。有關劉鳴煒先生自願告退之詳情載於本年報企業管治報告書內第43頁。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN THE SECURITIES OF THE COMPANY AND ASSOCIATED CORPORATION

董事及最高行政人員於本公司及相聯法團之證券權益

As at 31st December, 2014, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company as recorded in the register kept by the Company pursuant to section 352 of the Securities and Futures Ordinance (the "SFO") or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Appendix 10 of Model Code for Securities Transactions by Directors of Listed Issuers contained in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were as follows:—

於二零一四年十二月三十一日，董事及最高行政人員於本公司之股份、相關股份及債券中擁有之權益及淡倉，按本公司根據證券及期貨條例（「證券及期貨條例」）第352條備存之登記冊所載或根據香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十所載之《上市發行人董事進行證券交易的標準守則》知會本公司及聯交所如下：—

Name of Directors 董事姓名	Number of Shares Held 所持股份數目	Note 附註	Capacity 身份	Percentage of Issued Share Capital 已發行股本百分比
Mr. Lau, Ming-wai ("Mr. MW Lau") 劉鳴煒先生（「劉鳴煒先生」）	1,430,700,768	*	Beneficiary of trust 信託受益人	74.99%
Ms. Lui, Lai-kwan ("Ms. Lui") 呂麗君女士（「呂女士」）	1,430,700,768	*	Interest of children under 18 未滿18歲的子女之權益	74.99%

Note:

* These shares were indirectly owned by a discretionary trust of which Mr. MW Lau and the children of Ms. Lui were eligible beneficiaries of that trust.

附註：

* 該等股份由一項酌情信託間接擁有。劉鳴煒先生及呂女士的子女為該信託之合資格受益人。

All the interests stated above represent long positions. The percentage shown was the number of shares the relevant Directors were interested in expressed as a percentage of the number of issued shares as at 31st December, 2014.

上述所有權益均為好倉。所顯示的百分比為本公司有關董事於二零一四年十二月三十一日所擁有之股份數目佔已發行股份數目之百分比。

Save as disclosed above, none of the other Directors and chief executives of the Company had or were deemed under the SFO to have any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) as at 31st December, 2014.

除上文所披露者外，於二零一四年十二月三十一日，其他董事或最高行政人員概無擁有或根據證券及期貨條例被視為擁有本公司或其任何相聯法團（定義見證券及期貨條例第XV部所指的相聯法團）之股份、相關股份或債券之任何權益或淡倉。

During the Year, none of the Directors and chief executives of the Company nor their spouses or children under 18 years of age were granted or had exercised any right to subscribe for any securities of the Company or any of its associated corporation.

於本年度內，董事或最高行政人員以及彼等之配偶或十八歲以下之子女概無獲授予或行使任何可認購本公司或其任何相聯法團之任何證券之權利。

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SECURITIES OF THE COMPANY

主要股東於本公司之證券權益

As at 31st December, 2014, so far as are known to any Directors or chief executives of the Company, the following parties (other than Directors or chief executives of the Company) were recorded in the register kept by the Company under section 336 of the SFO, or as otherwise notified to the Company, as being directly or indirectly interested or deemed to be interested in 5% or more of the issued share capital of the Company:—

據董事及最高行政人員所知悉，於二零一四年十二月三十一日，本公司根據證券及期貨條例第336條須備存之登記冊所載錄或另行知會本公司，直接或間接擁有或被視為擁有本公司已發行股本5%或以上權益之人士（董事或最高行政人員除外）如下：—

Name of Substantial Shareholders 主要股東名稱	Number of Shares Held 所持股份數目	Notes 附註	Capacity 身份	Percentage of Issued Share Capital 已發行股本百分比
Mr. Joseph Lau, Luen-hung ("Mr. Joseph Lau") 劉鑾雄先生（「劉鑾雄先生」）	1,430,700,768	^	Founder, beneficiary of trust and interest of children under 18 信託之創立人、受益人及未滿18歲的子女之權益	74.99%
Alto Trust Limited	1,430,700,768	#	Trustee and interest in controlled corporation 信託人及於受控制公司之權益	74.99%
Solar Bright Ltd.	1,430,700,768	#	Beneficiary of a trust and interest in controlled corporation 一項信託之受益人及於受控制公司之權益	74.99%
Global King (PTC) Ltd.	1,199,715,948	#	Trustee 信託人	62.89%
Joseph Lau Luen Hung Investments Limited	230,984,820	#	Beneficial owner 實益擁有人	12.10%

Notes:

- ^ These shares were indirectly owned by a discretionary trust of which Mr. Joseph Lau was the founder. Mr. Joseph Lau and his certain other family members were eligible beneficiaries of that trust.
- # Alto Trust Limited as trustee of a discretionary trust held the entire issued share capital of Solar Bright Ltd. and therefore was regarded as interested in the same parcel of shares held by Solar Bright Ltd.. Solar Bright Ltd. held the entire issued share capital of Global King (PTC) Ltd. and all issued units in a unit trust of which Global King (PTC) Ltd. was the trustee and therefore was regarded as interested in the same parcel of shares held by Global King (PTC) Ltd. as trustee of the unit trust. Solar Bright Ltd. also held the entire issued share capital of Joseph Lau Luen Hung Investments Limited and therefore was also regarded as interested in the same parcel of shares held by Joseph Lau Luen Hung Investments Limited. As such, the 1,430,700,768 shares of the Company in which Solar Bright Ltd. was deemed to be interested represented the aggregate of the 1,199,715,948 shares and 230,984,820 shares of the Company held by Global King (PTC) Ltd. and Joseph Lau Luen Hung Investments Limited respectively, which was referred to in the interests of Mr. MW Lau and the interests of children under 18 of Ms. Lui as disclosed under "Directors' and Chief Executives' Interests in the Securities of the Company and Associated Corporation".

附註：

- ^ 該等股份由一項酌情信託間接擁有。劉鑾雄先生為該信託之創立人。劉鑾雄先生及其若干其他家族成員為該信託之合資格受益人。
- # Alto Trust Limited（作為一項酌情信託之信託人）持有Solar Bright Ltd.之全部已發行股本，故被視為擁有Solar Bright Ltd.所持有之同一批股份之權益。Solar Bright Ltd.持有Global King (PTC) Ltd.之全部已發行股本以及一項以Global King (PTC) Ltd.為信託人之單位信託基金之全部已發行單位，故被視為擁有Global King (PTC) Ltd.（作為該單位信託基金之信託人）所持有之同一批股份之權益。Solar Bright Ltd.亦持有Joseph Lau Luen Hung Investments Limited之全部已發行股本，故被視為擁有Joseph Lau Luen Hung Investments Limited所持有之同一批股份之權益。因此，Solar Bright Ltd.被視為擁有1,430,700,768股本公司股份（分別由Global King (PTC) Ltd.所持有之1,199,715,948股及Joseph Lau Luen Hung Investments Limited所持有之230,984,820股本公司股份合計而成）。上述股份為「董事及最高行政人員於本公司及相聯法團之證券權益」項下所披露劉鳴煒先生及呂女士之未滿18歲的子女之權益中所指之權益。

All the interests stated above represent long positions. As at 31st December, 2014, no short positions were recorded in the register kept by the Company under section 336 of the SFO.

上述所有權益均為好倉。於二零一四年十二月三十一日，根據本公司按證券及期貨條例第336條備存之登記冊所載概無任何淡倉。

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

During the Year, Mr. Lam, Kwong-wai was a non-executive director of LT Commercial Real Estate Limited ("LT") (formerly known as Chi Cheung Investment Company, Limited and LT Holdings Limited), a company whose shares are listed on the Stock Exchange. LT was engaged in securities investment and finance and property investment and development. As such, Mr. Lam, Kwong-wai was regarded as being interested in such businesses which competed or were likely to compete with the Group. Such businesses were managed by separate publicly listed company with independent management. The board composition of such listed company is different and separate from the Company.

During the Year, each of Mr. Joseph Lau, the ex-Executive Director, the ex-Chairman of the Board and the ex-Chief Executive Officer of the Company, Mr. MW Lau and Ms. Lui had personal interests in private companies engaged in property investment business while Mr. Joseph Lau and Mr. MW Lau had personal interests in private companies engaged in securities investment business. Mr. Joseph Lau also had personal interests in private companies engaged in money lending business. As such, they were regarded as being interested in such businesses, which competed or might compete with the Group. However, when compared with the dominance and size of operations of the Group, such competing businesses were immaterial.

In addition, Mr. Joseph Lau had through certain private companies wholly-owned by him (of which Mr. Joseph Lau and/or Mr. MW Lau was/were director(s) of such companies during the Year) acquired the retail shops of York Place, Excelsior Plaza (include Laforet) and Southorn Centre (also known as Wanchai Computer Centre) (the "Private Properties") from the Group in 2010. There might be potential leasing competition for existing and prospective tenancies between the Private Properties and investment properties held by the Group. In order to manage such potential leasing competition, Mr. Joseph Lau had provided certain undertakings and the Company had agreed with the Stock Exchange to implement certain measures for monitoring the compliance of such undertakings. Details of such undertakings and monitoring measures were set out in the circular of the Company dated 18th June, 2010. The Independent Non-executive Directors ("INED(s)") of the Company had carried out an annual review on the compliance of the said undertakings and monitoring measures and confirmed that such undertakings and monitoring measures were duly complied with and considered adequate monitoring measures were in place to avoid the potential leasing competition during the Year.

董事於競爭性業務之權益

於本年度內，林光蔚先生為勒泰商業地產有限公司（「勒泰」）（前稱至祥置業有限公司及勒泰控股有限公司）之非執行董事，該公司之股份於聯交所上市。勒泰從事證券投資、融資及物業投資與開發。因此，林光蔚先生被視為於與本集團構成競爭或可能構成競爭之業務中擁有權益。該等業務乃由獨立上市公司之獨立管理層管理。該上市公司董事會之組成與本公司不同亦獨立於本公司。

於本年度內，劉鑾雄先生（本公司之前執行董事、前董事會主席及前行政總裁）、劉鳴煒先生及呂女士各自於經營物業投資業務之私人公司中擁有個人權益，而劉鑾雄先生及劉鳴煒先生於經營證券投資業務之私人公司中擁有個人權益。劉鑾雄先生亦於經營放債業務之私人公司中擁有個人權益。因此，彼等被視為於與本集團構成競爭或可能構成競爭之業務中擁有權益。然而，此等競爭性業務與本集團之優勢及業務規模相比乃並不重大。

此外，於二零一零年，劉鑾雄先生透過若干全資擁有私人公司（劉鑾雄先生及／或劉鳴煒先生於本年度為該等公司之董事）向本集團購入York Place，怡東商場（包括東角Laforet）及修頓中心（亦稱灣仔電腦城）之若干零售商舖（「該等私人物業」）。該等私人物業與本集團持有之投資物業之間可能存在現時及未來租約之潛在租賃競爭。為處理該等潛在租賃競爭，劉鑾雄先生已提供若干承諾，而本公司亦已向聯交所同意就監察該等承諾之遵守情況實施若干措施。有關該等承諾及監察措施之詳情已載於本公司日期為二零一零年六月十八日之通函內。本公司之獨立非執行董事（「獨立非執行董事」）已就上述承諾及監察措施之遵守情況進行年度檢討，並確認於本年度內已遵守該等承諾及監察措施，並認為本公司已採取充足的監察措施以避免潛在租賃競爭。

DIRECTORS' INTERESTS IN COMPETING BUSINESSES (Cont'd)

The Directors are aware of their fiduciary duties and will act honestly and in good faith in the interests of the Company and will avoid any potential conflicts of interest and duty. The Company comprises three INEDs and all of them are audit committee members of the Company, so that the interest of its shareholders can be adequately represented.

Other than as disclosed above, none of the Directors were interested in any businesses apart from the Company's businesses, which competed or was likely to compete, either directly or indirectly, with the Company's businesses.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

There were no arrangements to which the Company or any of the Company's subsidiaries was a party to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate during the Year.

DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

Save as the agreements disclosed under the heading "Connected Transactions" below, there were no other contracts of significance in relation to the Company's businesses, to which the Company or any of the Company's subsidiaries was a party, subsisting at the end of the Year or at any time during the Year, and in which a Director had, whether directly or indirectly, a material interest, nor there were any other contracts of significance in relation to the Company's businesses between the Company or any of the Company's subsidiaries and a controlling shareholder or any of its subsidiaries.

董事於競爭性業務之權益 (續)

董事知悉其誠信責任，將會秉誠行事以符合本公司之利益，並避免任何潛在利益及責任衝突。本公司之獨立非執行董事共三名，全部均為審核委員會成員，故足以代表其股東之利益。

除上文所披露者外，概無董事在本公司業務以外於與本公司業務直接或間接構成競爭或可能構成競爭之任何業務中擁有權益。

購買股份或債券之安排

本公司或本公司之任何附屬公司概無於本年度內作出安排，以使董事可藉購入本公司或任何其他法人團體之股份或債券而獲得利益。

董事及控權股東於合約之權益

除於下述「關連交易」一節所述之協議外，於年結時或本年度內任何時間本公司或本公司之任何附屬公司所訂立與本公司業務有關之重大合約中，董事概無直接或間接擁有重大權益；此外，本公司或本公司之任何附屬公司亦無與控權股東或其任何附屬公司訂立與本公司業務有關之其他重大合約。

CONNECTED TRANSACTIONS

Connected Transactions

- (1) On 19th February, 2014, the father and elder brother of Ms. Lui entered into a preliminary sale and purchase agreement (the "Agreement") in respect of the purchase of a residential unit together with a car parking space and a motorcycle parking space of One WanChai (the Group's property held for sale) at a consideration of HK\$51,205,346. Completion took place on 14th April, 2014.

As the purchasers are the father and elder brother of Ms. Lui (an Executive Director and associate of Mr. Joseph Lau, a substantial shareholder and controlling shareholder of the Company), the purchasers were therefore connected persons of the Company. Hence, the transaction contemplated under the Agreement constituted a connected transaction of the Company. As the applicable percentage ratios in respect of the transaction contemplated under the Agreement either on a standalone basis, or when aggregated with the previous transactions completed within 12 months (which have already been disclosed by way of announcements on 6th February and 13th August, 2013 respectively) were both more than 0.1% but less than 5%, the connected transaction was subject to the reporting and announcement requirements but was exempted from independent shareholders' approval requirement under Chapter 14A of the Listing Rules. An announcement in respect of the said transaction was made on 19th February, 2014.

- (2) On 1st September, 2014, Data Dynasty Limited, Super Series Limited and Chinese Estates, Limited (all being wholly-owned subsidiaries of the Company) as vendors and the Company as vendors' guarantor entered into 4 sets of disposal agreement with One Midland Limited, Fly High Target Limited and Coast Field Ltd. (all being companies wholly-owned by Mr. Joseph Lau) as purchasers (the "Purchasers") and Mr. Joseph Lau as purchasers' guarantor, in relation to, inter alia, the disposal of the Company's wholly-owned subsidiaries that ultimately held Moon Ocean Ltd. (former owner of a piece of land in the Macau Special Administrative Region of the People's Republic of China) and certain floors and car parking spaces constituted part of the property known as "Silvercord", at an aggregated final consideration of approximately HK\$12,532.3 million (the "First Disposal Transactions").

關連交易

關連交易

- (1) 於二零一四年二月十九日，呂女士之父親及胞兄訂立一份臨時買賣協議（「該協議」），以購買壹環（本集團之持作出售物業）一個住宅單位連同一個私家車車位及一個電單車車位，代價為51,205,346港元。交易已於二零一四年四月十四日完成。

由於買方為呂女士（執行董事及劉鑾雄先生（本公司之主要股東及控股股東）之聯繫人）之父親及胞兄，故買方為本公司之關連人士。因此，該協議項下擬進行之交易構成本公司之關連交易。由於該協議項下擬進行之交易的適用百分比率在單獨計算時或與先前於十二個月內完成之交易（已分別於二零一三年二月六日及八月十三日透過公布披露）合計時均高於0.1%但少於5%，因此，該關連交易僅須遵守上市規則第14A章有關申報及公布之規定，獲取獨立股東批准之規定則獲豁免。有關該交易之公布已於二零一四年二月十九日發出。

- (2) 於二零一四年九月一日，Data Dynasty Limited、Super Series Limited及華人置業有限公司（所有均為本公司之全資擁有附屬公司）作為賣方及本公司作為賣方擔保人與One Midland Limited、Fly High Target Limited及Coast Field Ltd.（所有均為劉鑾雄先生全資擁有之公司）作為買方（「該等買方」）及劉鑾雄先生作為買方擔保人訂立四份出售協議，出售（其中包括）最終持有Moon Ocean Ltd.（為一幅位於中華人民共和國澳門特別行政區土地之前擁有人）及稱為「新港中心」之物業當中若干樓層與車位之本公司全資擁有附屬公司，總代價約為12,532,300,000港元（「第一出售交易」）。

CONNECTED TRANSACTIONS (Cont'd)

Connected Transactions (Cont'd)

(2) (Cont'd)

As the applicable percentage ratios under Chapter 14 of the Listing Rules for the First Disposal Transactions on an aggregated basis exceeded 25% but were less than 75%, the First Disposal Transactions constituted major transactions for the Company; and as Mr. Joseph Lau, a substantial shareholder and controlling shareholder of the Company, was a director and the sole beneficial owner of the Purchasers as at the date of the relevant announcement, Mr. Joseph Lau and the Purchasers were connected persons of the Company and the First Disposal Transactions constituted connected transactions of the Company under Chapter 14A of the Listing Rules. The First Disposal Transactions were therefore subject to the reporting, announcement, circular and independent shareholders' approval requirements pursuant to the Listing Rules. An announcement in respect of the First Disposal Transactions was made on 2nd September, 2014.

The First Disposal Transactions were approved by the independent shareholders of the Company at the special general meeting held on 10th October, 2014 and were completed in October 2014 and January 2015 respectively. Details of the First Disposal Transactions were set out in the circular of the Company dated 23rd September, 2014.

- (3) On 12th December, 2014, Rich Lucky Limited (being wholly-owned subsidiary of the Company) as vendor and the Company as vendor guarantor entered into a disposal agreement with Market Victory Limited (being a company wholly-owned by Mr. Joseph Lau) as purchaser (the "Purchaser") and Mr. Joseph Lau as purchaser guarantor, in relation to, inter alia, the disposal of the Company's wholly-owned subsidiary that ultimately held the property known as "The ONE", at a provisional consideration of approximately HK\$7,781.4 million (if the bank loan has been fully repaid prior to or upon completion of the disposal agreement and such repayment is fully or partially financed by additional sale loan provided after the date of the disposal agreement) or approximately HK\$4,657.3 million (if the bank loan is still outstanding upon completion of the disposal agreement) (the "Second Disposal Transaction").

關連交易 (續)

關連交易 (續)

(2) (續)

由於就第一出售交易按上市規則第14章計算的適用百分比率按合計基準計算超過25%但少於75%，第一出售交易構成本公司之主要交易；根據上市規則第14A章，由於劉鑾雄先生（本公司之主要股東及控股股東）於有關公布之日期為該等買方之董事及唯一實益擁有人，故劉鑾雄先生及該等買方為本公司之關連人士，因此第一出售交易構成本公司之關連交易。第一出售交易因此須遵守根據上市規則有關申報、公布、通函及獨立股東批准之規定。有關第一出售交易之公布已於二零一四年九月二日發出。

第一出售交易已獲本公司獨立股東於二零一四年十月十日舉行之股東特別大會上通過，並已分別於二零一四年十月及二零一五年一月完成。有關第一出售交易之詳情已刊載於本公司日期為二零一四年九月二十三日之通函內。

- (3) 於二零一四年十二月十二日，Rich Lucky Limited（為本公司之全資擁有附屬公司）作為賣方及本公司作為賣方擔保人與Market Victory Limited（為劉鑾雄先生全資擁有之公司）作為買方（「該買方」）及劉鑾雄先生作為買方擔保人訂立一份出售協議，出售（其中包括）最終持有稱為「The ONE」之物業之本公司全資擁有附屬公司，暫定定價約為7,781,400,000港元（倘銀行貸款已於出售協議完成時或之前悉數償還且該筆還款全部或部分以出售協議日期後提供之額外銷售貸款撥付）或約為4,657,300,000港元（倘銀行貸款於出售協議完成時仍未償還）（「第二出售交易」）。

CONNECTED TRANSACTIONS (Cont'd)

Connected Transactions (Cont'd)

(3) (Cont'd)

As one or more of the applicable percentage ratios under Chapter 14 of the Listing Rules for the Second Disposal Transaction as aggregated with the First Disposal Transactions exceeded 25% but were less than 75%, the Second Disposal Transaction constituted a major transaction for the Company; and as Mr. Joseph Lau, a substantial shareholder and controlling shareholder of the Company, was the sole director and the sole beneficial owner of the Purchaser as at the date of the relevant announcement, Mr. Joseph Lau and the Purchaser were connected persons of the Company and the Second Disposal Transaction constituted connected transaction of the Company under Chapter 14A of the Listing Rules. The Second Disposal Transaction was therefore subject to the reporting, announcement, circular and independent shareholders' approval requirements pursuant to the Listing Rules. An announcement in respect of the Second Disposal Transaction was made on 12th December, 2014.

Details of the Second Disposal Transaction were set out in the circular of the Company dated 7th January, 2015.

Continuing Connected Transactions

- (1) On 14th December, 2012, Chinese Estates, Limited, a wholly-owned subsidiary of the Company, entered into a contract for services with Mr. Joseph Lau in respect of the provision of the property, household and other management and maintenance services in relation to the properties and related assets and such other assets of a nature normally requiring management service, maintenance service or other similar services which are beneficially owned by or are held by entities beneficially owned by Mr. Joseph Lau and/or his associates and related parties, commenced on 1st January, 2013 and ending on 31st December, 2015 (the "First Contract"). The annual cap of the service charges payable by Mr. Joseph Lau to Chinese Estates, Limited under the First Contract for the financial year 31st December, 2014 was set at HK\$15 million (the "First Cap") as disclosed in the Company's announcement dated 14th December, 2012.

關連交易 (續)

關連交易 (續)

(3) (續)

由於按上市規則第14章就第二出售交易與第一出售交易合併計算之一個或多個適用百分比率超過25%但少於75%，第二出售交易構成本公司之主要交易；根據上市規則第14A章，由於劉鑾雄先生（本公司之主要股東及控股股東）於有關公布之日期為該買方之唯一董事及唯一實益擁有人，故劉鑾雄先生及該買方為本公司之關連人士，因此第二出售交易構成本公司之關連交易。第二出售交易因此須遵守根據上市規則有關申報、公布、通函及獨立股東批准之規定。有關第二出售交易之公布已於二零一四年十二月十二日發出。

有關第二出售交易之詳情已刊載於本公司日期為二零一五年一月七日之通函內。

持續關連交易

- (1) 於二零一二年十二月十四日，華人置業有限公司（本公司之全資擁有附屬公司）與劉鑾雄先生訂立一份服務合約，內容有關就劉鑾雄先生及／或其聯繫人及相關人士實益擁有或由彼等實益擁有之實體持有之物業及相關資產，以及通常需要管理服務、保養服務或其他類似服務之其他資產提供之物業、家居及其他管理及保養服務，於二零一三年一月一日開始生效，直至二零一五年十二月三十一日止（「第一合約」）。誠如本公司於二零一二年十二月十四日之公布所披露，劉鑾雄先生根據第一合約應付予華人置業有限公司之服務費於二零一四年十二月三十一日之財政年度之年度上限定為15,000,000港元（「第一上限」）。

CONNECTED TRANSACTIONS (Cont'd)

Continuing Connected Transactions (Cont'd)

(1) (Cont'd)

With effect from 1st November, 2014, the First Contract was superseded and replaced by the Consolidated Contract (as defined in (4) below). The First Cap after pro-rata adjustment was HK\$12,493,151 (the "Adjusted First Cap").

Mr. Joseph Lau being a substantial shareholder and controlling shareholder of the Company was a connected person of the Company and hence the First Contract and the transactions contemplated thereunder constituted continuing connected transactions for the Company under the Listing Rules. The applicable percentage ratios for the expected annual caps for the transactions contemplated under the First Contract pursuant to Chapter 14A of the Listing Rules exceeded 0.1% but were expected to be less than 5%, hence the First Contract and the annual caps were only subject to the reporting, announcement and annual review requirements but exempted from the independent shareholders' approval requirement.

Having reviewed the subject continuing connected transactions, the INEDs of the Company, pursuant to Chapter 14A of the Listing Rules on the requirement to carry out an annual review on the continuing connected transactions, confirmed that the transactions were made in the ordinary and usual course of business of the Company (other than those in relation to household management and maintenance services), on normal commercial terms and in accordance with the First Contract governing them on terms that were fair and reasonable and in the interests of the shareholders of the Company as a whole.

The auditors of the Company, pursuant to Chapter 14A of the Listing Rules, confirmed in their letter made in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements other than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants (collectively the "HKICPA Guidelines") that the subject continuing connected transactions had received the approval of the Board, were in accordance with the pricing policies of the Company, had been entered into in accordance with the First Contract and had not exceeded the Adjusted First Cap.

關連交易 (續)

持續關連交易 (續)

(1) (續)

自二零一四年十一月一日起，第一合約已被撤銷並由綜合合約（定義見下文(4)）取代。按比例調整後之第一上限為12,493,151港元（「已調整第一上限」）。

劉鑾雄先生為本公司之主要股東及控股股東，屬本公司之關連人士。因此，根據上市規則，第一合約及據此擬進行之交易構成本公司之持續關連交易。根據上市規則第14A章，第一合約項下擬進行之交易之預期年度上限之適用百分比率超過0.1%，惟預期將少於5%，因此，第一合約及年度上限僅須遵守申報、公布及年度檢討之規定，獲取獨立股東批准之規定則獲豁免。

本公司之獨立非執行董事根據上市規則第14A章之規定就持續關連交易進行年度檢討，在檢討上述持續關連交易後，確認該等交易屬本公司之日常業務（涉及家居管理及保養服務除外），按照一般商業條款及根據第一合約條款進行，該等條款屬公平合理，且符合本公司股東之整體利益。

本公司之核數師已按照香港會計師公會所頒布之香港核證工作準則3000「歷史財務信息審計或審閱以外的鑒證業務」，以及參照《實務說明》第740號「關於香港《上市規則》所述持續關連交易的核數師函件」（統稱「香港會計師公會準則」），於其根據上市規則第14A章發出之信件中，確認上述持續關連交易已經由董事會批准，並按照本公司之定價政策及根據第一合約進行，且無超逾已調整第一上限。

CONNECTED TRANSACTIONS (Cont'd)

Continuing Connected Transactions (Cont'd)

(2) On 15th July, 2013, Chinese Estates, Limited entered into a contract for services with Mr. Joseph Lau regarding the provision of (i) property management services (including matters relating to the management, operation, servicing, maintenance and repair of properties), (ii) leasing administration services (including matters relating to dealing with tenants, rent collection and taking legal actions but excluding any services in relation to the referral of potential tenants and the negotiation with existing and/or potential tenants regarding terms of lease of properties), and (iii) general administration services (including without limitation accounting, recruitment, human resources administration works, taxation, marketing and information technology services) to commercial properties beneficially owned by Mr. Joseph Lau and/or his associates for a term of three years commencing from 15th July, 2013 to 14th July, 2016 (the "Second Contract"). The cap of the service charges payable by Mr. Joseph Lau to Chinese Estates, Limited for the year ended 31st December, 2014 under the Second Contract was set at HK\$32,000,000 (the "Second Cap") as disclosed in the Company's announcement dated 15th July, 2013.

With effect from 1st November, 2014, the Second Contract was superseded and replaced by the Consolidated Contract (as defined in (4) below). The Second Cap after pro-rata adjustment was HK\$26,652,055 (the "Adjusted Second Cap").

Mr. Joseph Lau being a substantial shareholder and controlling shareholder of the Company was a connected person of the Company and hence the Second Contract and the transactions contemplated thereunder constituted continuing connected transactions for the Company under the Listing Rules. As the applicable percentage ratios for the expected annual caps for the transactions contemplated under the Second Contract, whether on standalone basis or when aggregated with those of First Contract, were less than 5%, the Second Contract and the annual caps were only subject to the reporting, announcement and annual review requirements but exempted from the independent shareholders' approval requirement pursuant to Chapter 14A of the Listing Rules.

關連交易 (續)

持續關連交易 (續)

(2) 於二零一三年七月十五日，華人置業有限公司與劉鑾雄先生訂立一份為期三年的服務合約，內容有關就劉鑾雄先生及／或其聯繫人實益擁有之商用物業提供(i)物業管理服務(包括該等物業之管理、營運、服務、保養及維修相關之事宜)、(ii)租務行政服務(包括處理租客之往來、收租及就該等物業之租務採取法律行動等相關事宜，但不包括有關轉介潛在租戶以及與現有租戶及／或潛在租戶協商有關物業之租賃條款之任何服務)、及(iii)一般行政服務(包括但不限於會計、招聘、人力資源行政工作、稅務、市場推廣及資訊技術服務)，於二零一三年七月十五日開始生效，直至二零一六年七月十四日止(「第二合約」)。誠如本公司於二零一三年七月十五日之公布所披露，劉鑾雄先生根據第二合約，於截至二零一四年十二月三十一日止年度應付予華人置業有限公司之服務費之上限定為32,000,000港元(「第二上限」)。

自二零一四年十一月一日起，第二合約已被撤銷並由綜合合約(定義見下文(4))取代。按比例調整後之第二上限為26,652,055港元(「已調整第二上限」)。

劉鑾雄先生為本公司之主要股東及控股股東，屬本公司之關連人士。因此，根據上市規則，第二合約及據此擬進行之交易構成本公司之持續關連交易。由於第二合約項下擬進行之交易之預期年度上限之適用百分比率(不論單獨或與第一合約合併計算)少於5%，故第二合約及有關年度上限僅須遵守根據上市規則第14A章有關申報、公布及年度檢討之規定，獲取獨立股東批准之規定則獲豁免。

CONNECTED TRANSACTIONS (Cont'd)

Continuing Connected Transactions (Cont'd)

(2) (Cont'd)

Having reviewed the subject continuing connected transactions, the INEDs of the Company, pursuant to Chapter 14A of the Listing Rules on the requirement to carry out an annual review on the continuing connected transactions, confirmed that the transactions were made in the ordinary and usual course of business of the Company (other than general administration services), on normal commercial terms and in accordance with the Second Contract governing them on terms that were fair and reasonable and in the interests of the shareholders of the Company as a whole.

The auditors of the Company, pursuant to Chapter 14A of the Listing Rules, confirmed in their letter made in accordance with the HKICPA Guidelines that the subject continuing connected transactions had received the approval of the Board, were in accordance with the pricing policies of the Company, had been entered into in accordance with the Second Contract and had not exceeded the Adjusted Second Cap.

(3) On 19th March, 2014, Chinese Estates, Limited entered into a contract for services with Mr. Joseph Lau in respect of the provision of rental of motor vehicles, car plates, vessels, car parking spaces and such other rental services to Mr. Joseph Lau, commenced on 15th March, 2014 for 3 years (the "Third Contract"). The cap of the service charges payable by Mr. Joseph Lau to Chinese Estates, Limited for the period from 15th March, 2014 to 31st December, 2014 under the Third Contract was set at HK\$23,200,000 (the "Third Cap") as disclosed in the Company's announcement dated 19th March, 2014.

With effect from 1st November, 2014, the Third Contract was superseded and replaced by the Consolidated Contract (as defined in (4) below). The Third Cap after pro-rata adjustment was HK\$18,353,425 (the "Adjusted Third Cap").

關連交易 (續)

持續關連交易 (續)

(2) (續)

本公司之獨立非執行董事根據上市規則第14A章之規定就持續關連交易進行年度檢討，在檢討上述持續關連交易後，確認該等交易屬本公司之日常業務（一般行政服務除外），按照一般商業條款及根據第二合約條款進行，該等條款屬公平合理，且符合本公司股東之整體利益。

本公司之核數師已按照香港會計師公會準則，於其根據上市規則第14A章發出之信件中，確認上述持續關連交易已經由董事會批准，並按照本公司之定價政策及根據第二合約進行，且無超逾已調整第二上限。

(3) 於二零一四年三月十九日，華人置業有限公司與劉鑾雄先生訂立一份為期三年的服務合約，內容有關向劉鑾雄先生提供車輛、車牌、船隻、停車位之租賃及其他租賃服務，於二零一四年三月十五日開始生效（「第三合約」）。誠如本公司於二零一四年三月十九日之公布所披露，劉鑾雄先生根據第三合約，於二零一四年三月十五日至二零一四年十二月三十一日期間應付予華人置業有限公司之服務費之上限定為23,200,000港元（「第三上限」）。

自二零一四年十一月一日起，第三合約已被撤銷並由綜合合約（定義見下文(4)）取代。按比例調整後之第三上限為18,353,425港元（「已調整第三上限」）。

CONNECTED TRANSACTIONS (Cont'd)

Continuing Connected Transactions (Cont'd)

(3) (Cont'd)

Mr. Joseph Lau being a substantial shareholder and controlling shareholder of the Company was a connected person of the Company and hence the Third Contract and the transactions contemplated thereunder constituted continuing connected transactions for the Company under the Listing Rules. As the applicable percentage ratios of the expected annual caps for the transactions contemplated under the Third Contract, whether on standalone basis or when aggregated with those of the First Contract and Second Contract, exceeded 0.1% but were less than 5%, hence the Third Contract and the annual caps were only subject to the reporting, announcement and annual review requirements but exempted from the independent shareholders' approval requirement pursuant to Chapter 14A of the Listing Rules.

Having reviewed the subject continuing connected transaction, the INEDs of the Company, pursuant to Chapter 14A of the Listing Rules on the requirement to carry out an annual review on the continuing connected transaction, confirmed that the transaction was made in the ordinary and usual course of business of the Company (to the extent of rental of car parking spaces), on normal commercial terms and in accordance with the Third Contract governing them on terms that were fair and reasonable and in the interests of the shareholders of the Company as a whole.

The auditors of the Company, pursuant to Chapter 14A of the Listing Rules, confirmed in their letter made in accordance with the HKICPA Guidelines that the subject continuing connected transaction had received the approval of the Board, was in accordance with the pricing policies of the Company, had been entered into in accordance with the Third Contract and had not exceeded the Adjusted Third Cap.

關連交易 (續)

持續關連交易 (續)

(3) (續)

劉鑾雄先生為本公司之主要股東及控股股東，屬本公司之關連人士。因此，根據上市規則，第三合約及據此擬進行之交易構成本公司之持續關連交易。由於第三合約項下擬進行之交易之預期年度上限之適用百分比率（不論單獨或與第一合約及第二合約合併計算）超過0.1%，惟少於5%，因此，第三合約及有關年度上限僅須遵守根據上市規則第14A章有關申報、公布及年度檢討之規定，獲取獨立股東批准之規定則獲豁免。

本公司之獨立非執行董事根據上市規則第14A章之規定就持續關連交易進行年度檢討，在檢討上述持續關連交易後，確認該等交易屬本公司之日常業務（只就停車位之租賃而言），按照一般商業條款及根據第三合約條款進行，該等條款屬公平合理，且符合本公司股東之整體利益。

本公司之核數師已按照香港會計師公會準則，於其根據上市規則第14A章發出之信件中，確認上述持續關連交易已經由董事會批准，並按照本公司之定價政策及根據第三合約進行，且無超逾已調整第三上限。

CONNECTED TRANSACTIONS (Cont'd)

Continuing Connected Transactions (Cont'd)

(4) On 31st October, 2014, Chinese Estates, Limited entered into a contract for services with Mr. Joseph Lau regarding the provision of (i) leasing administration services (including without limitation matters relating to dealing with tenants, rent collection and taking legal actions, but excluding any services in relation to the referral of potential tenants and the negotiation with existing and/or potential tenants regarding terms of lease of properties), (ii) property management services (including matters relating to the management, maintenance, operation, servicing and repair of properties), (iii) property administration services (including without limitation accounting, recruitment, human resources administration works, taxation, marketing and information technology services), (iv) asset management and maintenance services (including property, household and other management and maintenance services in relation to the properties and assets), (v) rental services (including rental of motor vehicles, car plates, vessels, car parking spaces, premises and such other rental services), (vi) advisory and consultancy services (including general advisory, consultancy, administration, liaison, personnel support services and such other services ancillary and/or incidental thereto), and (vii) other ordinary services (including without limitation securities and other financial services) to Mr. Joseph Lau and/or his associates, commenced on 1st November, 2014 for 3 years (the "Consolidated Contract"). The cap of the service charges payable by Mr. Joseph Lau to Chinese Estates, Limited for the period from 1st November, 2014 to 31st December, 2014 under the Consolidated Contract was set at HK\$21,391,781 (the "Consolidated Cap") as disclosed in the Company's announcement dated 31st October, 2014.

With effect from 1st November, 2014, the Consolidated Contract superseded and replaced the First Contract, Second Contract and Third Contract.

Mr. Joseph Lau being a substantial shareholder and controlling shareholder of the Company was a connected person of the Company and hence the Consolidated Contract and the transactions contemplated thereunder constituted continuing connected transactions for the Company under the Listing Rules. As the applicable percentage ratios for the expected annual caps for the transactions contemplated under the Consolidated Contract exceeded 0.1% but were expected to be less than 5%, the Consolidated Contract and the annual caps were only subject to the reporting, announcement and annual review requirements but exempted from the independent shareholders' approval requirement pursuant to Chapter 14A of the Listing Rules.

關連交易 (續)

持續關連交易 (續)

(4) 於二零一四年十月三十一日，華人置業有限公司與劉鑾雄先生訂立一份為期三年的服務合約，內容有關向劉鑾雄先生及／或其聯繫人提供(i)租務行政服務(包括但不限於處理租客之往來、收租及採取法律行動，但不包括有關轉介潛在租戶以及與現有租戶及／或潛在租戶協商有關物業之租賃條款之任何服務)、(ii)物業管理服務(包括有關物業之管理、保養、營運、服務及維修之事宜)、(iii)物業行政服務(包括但不限於會計、招聘、人力資源行政工作、稅務、市場推廣及資訊技術服務)、(iv)資產管理及保養服務(包括有關物業及資產之物業、家居及其他管理及保養服務)、(v)租賃服務(包括車輛、車牌、船隻、停車位、場地之租賃及其他租賃服務)、(vi)諮詢及顧問服務(包括一般諮詢、顧問、行政、聯絡、人事支援服務及其他配套及／或附帶服務)及(vii)其他一般服務(包括但不限於證券及其他金融服務)，於二零一四年十一月一日開始生效(「綜合合約」)。誠如本公司於二零一四年十月三十一日之公布所披露，劉鑾雄先生根據綜合合約，於二零一四年十一月一日至二零一四年十二月三十一日期間應付予華人置業有限公司之服務費之上限定為21,391,781港元(「綜合上限」)。

自二零一四年十一月一日起，綜合合約撤銷並取代第一合約、第二合約及第三合約。

劉鑾雄先生為本公司之主要股東及控股股東，屬本公司之關連人士。因此，根據上市規則，綜合合約及據此擬進行之交易構成本公司之持續關連交易。由於綜合合約項下擬進行之交易之預期年度上限之適用百分比率超過0.1%，惟預期將少於5%，綜合合約及有關年度上限僅須遵守根據上市規則第14A章有關申報、公布及年度檢討之規定，獲取獨立股東批准之規定則獲豁免。

CONNECTED TRANSACTIONS (Cont'd)

Continuing Connected Transactions (Cont'd)

(4) (Cont'd)

Having reviewed the subject continuing connected transactions, the INEDs of the Company, pursuant to Chapter 14A of the Listing Rules on the requirement to carry out an annual review on the continuing connected transactions, confirmed that the transactions were made in the ordinary and usual course of business of the Company (other than household management and maintenance services under the asset management and maintenance services, the property administration services, the rental services and the advisory and consultancy services), on normal commercial terms and in accordance with the Consolidated Contract governing them on terms that were fair and reasonable and in the interests of the shareholders of the Company as a whole. Having considered the reasons and benefits in respect of the provision of household management and maintenance services under the asset management and maintenance services, the property administration services, the rental services and the advisory and consultancy services as mentioned in the Company's announcement dated 31st October, 2014, the INEDs were of the view that, although the provision of such services contemplated under the Consolidated Contract were not in the ordinary and usual course of business of the Group, the terms of such services were fair and reasonable so far as the Group were concerned and on normal commercial terms, and were in the interests of the Company and its shareholders as a whole.

The auditors of the Company, pursuant to Chapter 14A of the Listing Rules, confirmed in their letter made in accordance with the HKICPA Guidelines that the subject continuing connected transactions had received the approval of the Board, were in accordance with the pricing policies of the Company, had been entered into in accordance with the Consolidated Contract and had not exceeded the Consolidated Cap disclosed in the said announcement made on 31st October, 2014.

關連交易 (續)

持續關連交易 (續)

(4) (續)

本公司之獨立非執行董事根據上市規則第14A章之規定就持續關連交易進行年度檢討，在檢討上述持續關連交易後，確認該等交易屬本公司之日常業務（資產管理及保養服務項下之家居管理及保養服務、物業行政服務、租賃服務和諮詢及顧問服務除外），按照一般商業條款及根據綜合合約條款進行，該等條款屬公平合理，且符合本公司股東之整體利益。經考慮本公司於二零一四年十月三十一日之公布關於提供資產管理及保養服務項下之家居管理及保養服務、物業行政服務、租賃服務和諮詢及顧問服務之原因及裨益後，獨立非執行董事認為，雖然根據綜合合約提供有關服務並非本集團之日常及一般業務，但有關服務之條款對本集團而言乃屬公平合理並符合一般商業條款，而且符合本公司及其股東之整體利益。

本公司之核數師已按照香港會計師公會準則，於其根據上市規則第14A章發出之信件中，確認上述持續關連交易已經由董事會批准，並按照本公司之定價政策及根據綜合合約進行，且無超逾於二零一四年十月三十一日之公布所披露之綜合上限。

CONNECTED TRANSACTIONS (Cont'd)

Continuing Connected Transactions (Cont'd)

Save as aforesaid, there were no other discloseable non-exempted connected transaction or non-exempted continuing connected transaction under the Listing Rules during the Year and up to the date of this directors' report.

Save as aforesaid, none of the "Material Related Party Transactions" as disclosed in Note 51 to the consolidated financial statements for the Year constituted discloseable non-exempted connected transaction or non-exempted continuing connected transaction under the Listing Rules.

To the extent of the above "Material Related Party Transactions" constituted connected transaction or continuing connected transaction as defined in the Listing Rules, the Company had complied with the relevant requirements under Chapter 14A of the Listing Rules during the Year.

SERVICE CONTRACTS OF DIRECTORS

None of the Directors has a service contract with the Company or any of its subsidiaries which is not determinable by the employer within one year without payment of compensation (other than statutory compensation).

RETIREMENT BENEFIT SCHEMES

The Group operates two retirement benefit schemes:—

- (1) the provident fund scheme as defined in the Occupational Retirement Schemes Ordinance, Chapter 426 of the laws of Hong Kong (the "ORSO Scheme"); and
- (2) the provident fund scheme as defined in the Mandatory Provident Fund Schemes Ordinance, Chapter 485 of the laws of Hong Kong (the "MPF Scheme").

Both the ORSO Scheme and the MPF Scheme are defined contribution schemes and the assets of both schemes are managing by their respective trustees accordingly.

關連交易 (續)

持續關連交易 (續)

除上文所述外，根據上市規則，本公司於本年度內及截至本董事會報告書日期概無其他須予披露之不獲豁免關連交易或不獲豁免持續關連交易。

除上文所述外，根據上市規則，本年度綜合財務報表內附註51所披露之「重大關連人士交易」並無構成須予披露之不獲豁免關連交易或不獲豁免持續關連交易。

就上述「重大關連人士交易」構成根據上市規則所界定之關連交易或持續關連交易，本公司已於本年度內遵守上市規則第14A章的有關規定。

董事服務合約

本公司或其任何附屬公司並無與董事簽訂任何一年內若由僱主終止合約時須作出賠償（法定賠償除外）之服務合約。

退休福利計劃

本集團推行兩項退休福利計劃：—

- (1) 香港法例第426章職業退休計劃條例所界定之公積金計劃（「職業退休計劃」）；及
- (2) 香港法例第485章強制性公積金計劃條例所界定之公積金計劃（「強積金計劃」）。

職業退休計劃及強積金計劃均為界定供款計劃，該等計劃之資產乃由各自之受託人管理。

RETIREMENT BENEFIT SCHEMES (Cont'd)

The ORSO Scheme is available to the Group's full-time permanent staff employed in Hong Kong before 1st December, 2000. Contributions to the ORSO Scheme are made by the Group at 5%, 7.5% or 10% based on the staff's basic salary depending on the length of service. Staff members are entitled to 100% of the Group's contributions together with accrued returns after completing 10 years of service or more, or attaining the retirement age, or are entitled at a reduced scale between 30% to 90% of the Group's contributions after completing a period of service of at least 3 years but less than 10 years. The ORSO Scheme allowed any forfeited contributions (made by the Group for any staff member who subsequently left the ORSO Scheme prior to vesting fully in such contributions) to be used by the Group to offset the current level of contributions of the Group.

The MPF Scheme is available to all employees aged 18 to 64 and with at least 60 days of service under the employment of the Group in Hong Kong. Contributions are made by the Group at 5% based on the staff's relevant income. The maximum relevant income for contribution purpose is HK\$30,000 per month. Staff members are entitled to 100% of the Group's contributions together with accrued returns irrespective of their length of service with the Group, but the benefits are required by law to be preserved until the retirement age of 65.

In order to provide similar benefits to those who joined the MPF Scheme and the ORSO Scheme, the Group provided an additional portion (the "Top-up Portion") for those who joined the MPF Scheme. The purpose of the Top-up Portion is to match up the benefits of the MPF Scheme with that of the ORSO Scheme by providing those staff under the MPF Scheme with basic salary over HK\$30,000 and/or years of service over 5. Contributions to the Top-up Portion are made by the Group at 5%, 7.5% or 10% of the staff's basic salary less the Group's mandatory contribution under the MPF Scheme as mentioned above.

The Group's total cost for the schemes charged to consolidated statement of comprehensive income for the year ended 31st December, 2014 amounted to approximately HK\$10,065,000 (2013: HK\$9,869,000). In addition, an amount of forfeited employer's contributions for the schemes amounted to approximately HK\$1,173,000 (2013: HK\$674,000) was utilised towards reducing the Group's contributions during the Year and the balance available to reduce future contributions amounted to approximately HK\$108,000 (2013: HK\$402,000).

退休福利計劃 (續)

職業退休計劃可供於二零零零年十二月一日前在香港受僱之本集團全職長期僱員參加。本集團乃根據僱員之基本薪金按其服務年期，作出5%、7.5%或10%之供款。僱員服務滿10年或以上或到退休年齡時方可取得100%本集團供款連同應計回報，而服務年期滿3年但不足10年之僱員則可按遞減比例取得30%至90%本集團供款。職業退休計劃容許本集團將任何已沒收供款（即本集團就任何可獲得全部供款前退出職業退休計劃之僱員而作出之供款）用以抵銷本集團現有之供款水平。

強積金計劃可供所有18至64歲受僱於香港最少60日之本集團僱員參加。本集團根據僱員之有關入息作出5%之供款。就供款而言，有關入息上限為每月30,000港元。不論其於本集團之服務年期，僱員均可取得100%本集團供款連同應計回報，惟根據法例，有關利益將保留至退休年齡65歲方可領取。

為了向參加強積金計劃及職業退休計劃之僱員提供相近之福利，本集團為參加強積金計劃之僱員提供額外部分（「補足部分」）。補足部分旨在向基本月薪逾30,000港元及／或服務年期逾5年，參加強積金計劃之僱員提供與職業退休計劃相近之福利。本集團將根據僱員基本薪金之5%、7.5%或10%減本集團根據上述強積金計劃作出之強制性供款而作出補足部分之供款。

本集團於截至二零一四年十二月三十一日止年度就該等計劃於綜合全面收益報表扣除之費用總額約為10,065,000港元（二零一三年：9,869,000港元）。此外，本集團就該等計劃已沒收之僱主供款約為1,173,000港元（二零一三年：674,000港元），並已於本年度內用作削減供款，餘額約108,000港元（二零一三年：402,000港元）可用作減少未來供款。

SHARE AWARD SCHEME

A share award scheme (the "Share Award Scheme") was adopted by the shareholders of the Company at the special general meeting held on 14th January, 2009 (the "Adoption Date"). The Share Award Scheme is a long-term incentive arrangement for the selected employees. The purpose of the Share Award Scheme is to recognise and reward certain employees of the Group for their contributions to the Group and to give long-term incentives for retaining them for the continued operations and development of the Group. It also intends to attract suitable professional recruits to join the Group and to assist in the further development of the Group.

The Board may from time to time, at its absolute discretion and subject to such terms and conditions as it may think fit (including the basis of eligibility of each employee determined by the Board from time to time), after having taken into account recommendations made by members of the Group and assessment of individual performance pursuant to internal appraisal system, select an employee for participation in the Share Award Scheme as a Selected Employee ("Selected Employee") and determine the number of shares which may be awarded to such Selected Employee pursuant to the terms of the Share Award Scheme ("Awarded Share(s)"). A Selected Employee shall qualify to be allotted and issued the Awarded Shares after all the qualifying conditions have been fulfilled, unless otherwise determined by the Board at its discretion.

The issue price for each Awarded Share shall, subject to the terms of the Share Award Scheme, be an amount equal to its nominal value and shall be paid or satisfied in cash by the relevant member of the Group engaging the Selected Employee or, if payment by the relevant member of the Group engaging the Selected Employee is not permitted under applicable law, any member of the Group, upon the allotment and issue of the Awarded Shares.

The total number of shares which may be issued in response to the Share Award Scheme and any other incentive or option schemes of the Company (if any) shall not in aggregate exceed 207,775,007, being 10% of the total number of shares in issue on the Adoption Date and represents approximately 10.89% of the total number of shares in issue at the date of this directors' report. No granting of Awarded Shares was made for the Year.

The maximum number of Awarded Shares to be granted to each Selected Employee under the Share Award Scheme in any 12-month period shall not exceed in aggregate 1% of the shares in issue as at the date of such grant.

股份獎勵計劃

股份獎勵計劃（「股份獎勵計劃」）已獲本公司股東於二零零九年一月十四日（「採納日期」）舉行之股東特別大會上採納。股份獎勵計劃乃為經甄選僱員而設之長期獎勵安排，旨在向為本集團作出貢獻之若干僱員給予肯定及回報，並作為吸引其留效本集團，繼續為本集團之營運及發展而努力之長期獎勵。此計劃亦有助於吸引合適之專業人士加盟本集團及協助本集團進一步發展。

經考慮本集團成員公司作出之推薦建議及根據內部評估制度評估個別人士之表現後，董事會可不時全權酌情及根據其認為合適之條款及條件（包括董事會不時釐定每名僱員之合資格基準），甄選僱員成為經甄選僱員（「經甄選僱員」）參與股份獎勵計劃，並根據股份獎勵計劃之條款釐定每名經甄選僱員可獲之獎勵股份數目（「獎勵股份」）。除董事會另有酌情釐定外，經甄選僱員於達成所有合資格條件後，將合資格獲發行及配發獎勵股份。

每股獎勵股份之發行價將受限於股份獎勵計劃之條款，並相等於其面值，且由聘用經甄選僱員之本集團相關成員公司於發行及配發獎勵股份時以現金支付或償付，或倘聘用經甄選僱員之本集團相關成員公司根據適用法律不得作出付款，則由本集團任何成員公司以現金支付或償付。

於股份獎勵計劃將可能發行之股份，連同於根據本公司所有其他獎勵或認股權計劃（如有）將可能發行之股份，總數合共不得超過207,775,007股（即於採納日期已發行股份之10%），相當於截至本董事會報告書日期之已發行股份約10.89%。本集團於本年度內並無授出任何獎勵股份。

根據股份獎勵計劃授予每位經甄選僱員之獎勵股份之最高數目於任何十二個月期間內合共不得超過有關授出日期已發行股份之1%。

SHARE AWARD SCHEME (Cont'd)

Subject to any early termination pursuant to the terms of the Share Award Scheme, the Share Award Scheme shall be valid and effective for a period of 10 years commencing from the Adoption Date (i.e. until 13th January, 2019). As at the date of this directors' report, the remaining life of the Share Award Scheme is less than 4 years.

Details of the Share Award Scheme were set out in the circular of the Company dated 23rd December, 2008.

PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, the Company had maintained the prescribed amount of public float during the Year and up to the date of this annual report as required under the Listing Rules.

MANAGEMENT CONTRACTS

No contracts, other than employment contracts, concerning the management and administration of the whole or any substantial part of the Company's business were entered into or existed during the Year.

AUDITORS

The consolidated financial statements for the Year were audited by HLB Hodgson Impey Cheng Limited ("HLB") who would retire at the conclusion of the forthcoming annual general meeting, and being eligible, offer themselves for re-appointment. A resolution will be proposed to the shareholders at the forthcoming annual general meeting to re-appoint HLB as the auditors of the Company.

There have been no other changes of auditors in the past three years except for the reorganisation of Messrs HLB Hodgson Impey Cheng to HLB in March 2012.

On behalf of the Board
Lau, Ming-wai
Chairman

Hong Kong, 19th March, 2015

股份獎勵計劃 (續)

除股份獎勵計劃中任何有關提早終止之條款外，股份獎勵計劃將由採納日期起計十年期間有效及生效（即至二零一九年一月十三日止）。於本董事會報告書日期，股份獎勵計劃尚剩餘之有效期為少於四年。

有關股份獎勵計劃之詳情已刊載於本公司日期為二零零八年十二月二十三日之通函內。

公眾持股量

根據本公司得悉的公開資料及董事所知悉，本公司於本年度內及截至本年報日期已按上市規則規定維持指定數額之公眾持股量。

管理合約

除僱員聘任合約外，本集團於本年度內並無就全部或任何重大部分之本公司業務管理及行政訂立或存在任何合約。

核數師

本年度之綜合財務報表由國衛會計師事務所有限公司（「國衛」）審核。該會計師行將於即將舉行之股東週年大會結束時任滿告退，惟合資格並願意膺聘連任。於即將舉行之股東週年大會上，將就續聘國衛為本公司核數師向股東提呈一項決議案。

除於二零一二年三月國衛會計師事務所重組為國衛外，本公司在過去三年間並無更換其他核數師。

代表董事會
主席
劉鳴燁

香港，二零一五年三月十九日