

I am pleased to present the results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2019 (the "Year") to the shareholders of the Company.

## RESULTS

Profit for the Year attributable to owners of the Company was HK\$790.2 million as compared to HK\$1,015.3 million for last year. The decrease in profit for the Year was mainly due to (a) no dividend income (2018: HK\$1,106.8 million) was recognised from the shares of China Evergrande Group (stock code: 3333) during the Year; (b) the fair value changes of investment properties turning to loss of HK\$742.7 million as compared with gain of HK\$122.3 million; (c) recognition of an impairment loss of goodwill of HK\$322.9 million (2018: nil); and (d) no attributable property sales profit (2018: HK\$183.3 million) was recognised during the Year despite of the result from the segment of investments and treasury products at fair value through profit or loss turning to profit of HK\$1,798.9 million as compared with loss of HK\$710.8 million recorded in 2018. Earnings per share for the Year was HK\$0.41 (2018: HK\$0.53).

If the net loss on the major non-cash items of HK\$907.2 million (2018: net gain of HK\$297.0 million) is excluded, the Group will have a core profit for the Year attributable to owners of the Company of HK\$1,697.4 million (2018: HK\$718.3 million) and a core profit per share of HK\$0.89 (2018: HK\$0.38).

The major non-cash items represented the attributable net unrealised fair value loss on investment properties together with their respective deferred tax from the Group and its associates and joint venture of HK\$584.3 million (2018: net gain of HK\$297.0 million) and impairment loss of goodwill of HK\$322.9 million (2018: nil).

## DIVIDENDS

The board of directors of the Company (the "Directors" or the "Board") has recommended the payment of a final dividend of HK1 cent per share (2018: HK10 cents per share) for the Year (the "Final Dividend").

The Company had paid an interim dividend of HK1 cent per share on 27 August 2019 (2018: HK1 cent per share). Having considered the Company's dividend policy, to preserve more cash for the Group's future financial, property investment or securities investment opportunities, the Board has recommended the payment of the Final Dividend of HK1 cent per share (2018: HK10 cents per share).

本人欣然向本公司之股東呈報本公司及其附屬公司（「本集團」）截至二零一九年十二月三十一日止年度（「本年度」）之業績。

## 業績

本公司擁有人應佔本年度之溢利為790,200,000港元，相比去年為1,015,300,000港元。本年度溢利減少主要由於(a)於本年度並無確認來自中國恆大集團（股份代號：3333）股份之股息收入（二零一八年：1,106,800,000港元）；(b)投資物業之公平值變動轉為虧損742,700,000港元，相比去年之收益122,300,000港元；(c)商譽之確認減值虧損322,900,000港元（二零一八年：無）；及(d)於本年度並無確認應佔物業銷售溢利（二零一八年：183,300,000港元），儘管來自分類為通過損益以反映公平值之投資及財資產品轉為溢利1,798,900,000港元，相比二零一八年錄得虧損為710,800,000港元。本年度之每股盈利為0.41港元（二零一八年：0.53港元）。

如撇除主要非現金項目虧損淨額907,200,000港元（二零一八年：收益淨額297,000,000港元），本集團將錄得本公司擁有人應佔本年度之核心溢利1,697,400,000港元（二零一八年：718,300,000港元）及每股核心溢利為0.89港元（二零一八年：0.38港元）。

主要非現金項目乃指來自本集團以及其聯營公司及合資公司之應佔投資物業之未變現公平值虧損淨額連同其相關之遞延稅項共584,300,000港元（二零一八年：收益淨額297,000,000港元）以及商譽之減值虧損322,900,000港元（二零一八年：無）。

## 股息

本公司董事會（「董事」或「董事會」）建議派發本年度之末期股息每股1港仙（「末期股息」）（二零一八年：每股10港仙）。

本公司已於二零一九年八月二十七日支付中期股息每股1港仙（二零一八年：每股1港仙）。經考慮本公司之股息政策，為保留更多現金作本集團把握日後財務、物業投資或證券投資的機遇之需要，董事會建議派發末期股息每股1港仙（二零一八年：每股10港仙）。

## DIVIDENDS (Cont'd)

Subject to shareholders' approval at the forthcoming annual general meeting of the Company to be held on 26 May 2020 (the "2020 AGM"), dividend warrants for the Final Dividend will be posted on or about 11 June 2020 to shareholders whose names appear on the register of members of the Company on 2 June 2020.

## CLOSURE OF REGISTER OF MEMBERS

For the purpose of ascertaining the members' eligibility to attend and vote at the 2020 AGM, and entitlement to the recommended Final Dividend, the register of members will be closed during the following periods respectively:

### (1) For ascertaining eligibility to attend and vote at the 2020 AGM:

#### (1) 為確定出席二零二零年股東週年大會並於會上投票的資格：

Latest time to lodge transfers documents for registration 交回股份過戶文件以作登記的最後時限	20.5.2020 16:30
Closure of register of members 暫停辦理股東登記手續	21.5.2020–26.5.2020 (both days inclusive) (包括首尾兩天)

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

#### (2) 為確定獲派建議末期股息的權利：

Latest time to lodge transfers documents for registration 交回股份過戶文件以作登記的最後時限	29.5.2020 16:30
Closure of register of members 暫停辦理股東登記手續	1.6.2020–2.6.2020 (both days inclusive) (包括首尾兩天)
Record date 記錄日期	2.6.2020

To be eligible to attend and vote at the 2020 AGM, and to qualify for the recommended Final Dividend, all properly completed share transfers documents accompanied by the relevant share certificates must be lodged for registration with the Company's Branch Registrar and Transfer Office in Hong Kong, namely Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than the respective latest time as stated above.

## 股息 (續)

待股東於本公司將於二零二零年五月二十六日舉行之應屆股東週年大會（「二零二零年股東週年大會」）上批准，末期股息之股息單將於二零二零年六月十一日或前後寄發予於二零二零年六月二日名列本公司股東名冊之股東。

## 暫停辦理股東登記手續

為確定股東出席二零二零年股東週年大會並於會上投票的資格，及獲派建議末期股息的權利，本公司將分別於下列期間暫停辦理股東登記手續：

為符合資格出席二零二零年股東週年大會並於會上投票，及獲派建議末期股息，所有填妥的股份過戶文件連同有關股票必須於上述分別指明的最後時限前送達本公司於香港之過戶登記分處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖。

## BUSINESS MODEL AND STRATEGIES

The Group's core businesses comprise property investments for rental and property development as well as securities investments.

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

In Hong Kong, the Group participates in developing modern industrial properties.

The Group invested in office properties and hotel business in Mainland China and commercial and residential properties in the United Kingdom. All of them are located in the prestigious areas and generate stable and recurrent rental income for the Group.

The Group is actively grasping the opportunity for acquiring properties in Hong Kong and the United Kingdom.

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

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

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

## 業務模式及策略

本集團核心業務包括投資物業的租賃、物業發展及證券投資。

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

在香港，本集團參與發展現代化工廈。

本集團於中國內地持有寫字樓及投資於酒店業務，並於英國持有商業及住宅物業。該等物業及投資均位於優質地區，為本集團帶來穩定及經常性租金收入。

本集團正積極物色機會收購位於香港及英國之物業。

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

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

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

## MANAGEMENT DISCUSSION AND ANALYSIS

### Hong Kong Property Investment

Rentals from investment properties continued to be one of the major sources of our income.

As at 31 December 2019, the occupancy rate of the shops of Causeway Place was approximately 96.65%.

Olympian City 3 (25% interest), the retail mall in The Hermitage residences in West Kowloon, the occupancy rate was 100% as at 31 December 2019.

Coronation Circle (15% interest), the retail mall in The Coronation residences in West Kowloon, the occupancy rate was approximately 78.16% as at 31 December 2019.

During the Year, the average occupancy rate of the Group's office property, Harcourt House was approximately 88.96%.

No. 1 Hung To Road (33.33% interest), a 33-storey industrial building in Kwun Tong, the occupancy rate was approximately 98.80% as at 31 December 2019.

Nos. 14-18 Ma Kok Street (100% interest), an industrial building in Tsuen Wan was vacant as at 31 December 2019. It is planned to be redeveloped into a 26-storey (including G/F and 2 levels of basement) industrial building with a total gross floor area of approximately 228,000 square feet. The redevelopment is in planning and design stage which is expected to be completed by end of 2024. The Group's equity interest in the company holding Nos. 14-18 Ma Kok Street has been increased from 50% to 51% in December 2019 and further increased from 51% to 100% in February 2020.

### Hong Kong Property Development

The Hermitage (25% interest) is one of the Group's joint venture development projects in West Kowloon. It comprises 6 residential tower blocks and provides in aggregate 964 residential units and retail properties with a total gross floor area of around 1,095,980 square feet. As at 31 December 2019, 99.79% of total units were sold.

## 管理層討論與分析

### 香港物業投資

投資物業之租金仍然是本集團之主要收入來源之一。

於二零一九年十二月三十一日，銅鑼灣地帶之商舖出租率約為96.65%。

奧海城三期（佔25%權益），位於西九龍帝峯•皇殿住宅之商場，於二零一九年十二月三十一日，出租率為100%。

中港薈（佔15%權益），位於西九龍御金•國峯住宅之商場，於二零一九年十二月三十一日，出租率約為78.16%。

於本年度內，本集團之辦公室物業—夏慤大廈之平均出租率約為88.96%。

鴻圖道1號（佔33.33%權益），位於觀塘之一幢33層工業大廈，於二零一九年十二月三十一日之出租率約為98.80%。

馬角街14至18號（佔100%權益），位於荃灣之一幢工業大廈，於二零一九年十二月三十一日為空置。計劃重建為一幢總樓面面積約228,000平方呎之26層工業大廈（包括地下及兩層地庫）。重建項目現處於規劃及設計階段，預期將於二零二四年底竣工。本集團於持有馬角街14至18號之公司之股權權益於二零一九年十二月由50%增至51%及其後於二零二零年二月由51%進一步增至100%。

### 香港物業發展

帝峯•皇殿（佔25%權益）為本集團其中一項位於西九龍的合營發展項目。該項目由6座住宅大廈組成，提供合共964個住宅單位及零售商舖，總樓面面積合共約1,095,980平方呎。於二零一九年十二月三十一日，已售出單位總數之99.79%。

## MANAGEMENT DISCUSSION AND ANALYSIS

(Cont'd)

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

The Coronation (15% interest) is another joint venture development project of the Group in West Kowloon. It comprises 6 residential tower blocks and provides in aggregate 740 residential units and retail properties with a total gross floor area of around 650,600 square feet. As at 31 December 2019, 99.86% of total units were sold.

Grand Central (10% interest) is a joint venture development project of the Group awarded by the Urban Renewal Authority. Its total site area is approximately 234,160 square feet. Total gross floor area of around 1,853,561 square feet will be developed. 4 residential tower blocks with 1,999 residential units in aggregate will be built in two phases. Up to 31 December 2019, 862 units of first phase and 772 units of second phase were presold. Superstructure works of both phases are in progress, the whole project will be completed in the first half of 2021.

### Mainland China Property Investment

Hilton Beijing (50% interest), a five-star international hotel having 506 rooms. During the Year, 15th to 25th Floors of the main tower were under renovation, its average occupancy rate was approximately 52.35%.

Oriental Place (50% interest), a 10-storey office building next to Hilton Beijing. Its average occupancy rate was approximately 81.07% during the Year.

### Overseas Property Investment

Overall, approximately 98.63% of the Group's investment property portfolio in the United Kingdom has been let out during the Year.

River Court is a freehold office building situated at 116-129 Fleet Street, London, United Kingdom. It provides a total net internal area of approximately 431,324 square feet, together with certain car parking spaces. During the Year, River Court was fully let. The anchor tenant will surrender the lease in the first quarter of 2020, and thereafter asset enhancement works will be carried out in due course when relevant study is completed and government approval is granted.

## 管理層討論與分析 (續)

### 香港物業發展 (續)

御金·國峯 (佔15%權益) 為本集團另一項位於西九龍的合營發展項目。該項目由6座住宅大廈組成，提供合共740個住宅單位及零售商舖，總樓面面積合共約650,600平方呎。於二零一九年十二月三十一日，已售出單位總數之99.86%。

凱匯 (佔10%權益) 為本集團獲市區重建局批予發展之合營發展項目。地盤面積合共約234,160平方呎，將發展之總樓面面積合共約1,853,561平方呎。分為兩期建成4座住宅大廈，合共提供1,999個住宅單位。截至二零一九年十二月三十一日止已預售第一期862個單位及第二期772個單位。兩期項目之上蓋建築工程現正進行。整個項目將於二零二一年上半年竣工。

### 中國內地物業投資

北京希爾頓酒店 (佔50%權益) 為一座設有506間客房的五星級國際酒店。於本年度內，其主樓之15至25樓層正進行翻新工程，平均入住率約為52.35%。

東方國際大廈 (佔50%權益) 為北京希爾頓酒店側的一幢樓高10層辦公樓，於本年度內之平均出租率約為81.07%。

### 海外物業投資

整體而言，於本年度內，本集團於英國之投資物業組合約98.63%獲承租。

River Court為一幢位於英國倫敦Fleet Street 116-129號之永久業權寫字樓。River Court提供總室內淨面積約431,324平方呎，連同若干泊車位。River Court之所有單位於本年度內均獲承租。主要租戶將於二零二零年首季退回租賃，而資產優化工程將於完成有關研究以及獲政府批准後施工。



## MANAGEMENT DISCUSSION AND ANALYSIS

(Cont'd)

### Overseas Property Investment (Cont'd)

"14 St George Street" is a freehold office building located in London, United Kingdom. The building comprises approximately 51,861 square feet of office accommodation arranged over lower ground, ground and four upper floors. It was fully let during the Year.

"61-67 Oxford Street and 11-14 Soho Street" is a mixed use freehold building located in London, United Kingdom, comprising approximately 55,162 square feet in aggregate. The building provides retails, office and residential accommodation, occupying approximately 33,850 square feet, 13,735 square feet and 7,577 square feet respectively, over lower ground, ground and six upper floors, approximately 94.43% had been let out during the Year on average.

"11 and 12 St James's Square and 14 to 17 Ormond Yard" is a mixed use freehold building located in London, United Kingdom. The building provides around 80,000 square feet office accommodation arranged over lower ground, ground and six upper floors, approximately 93.26% had been let out during the Year on average.

### Securities Investments

Securities investment is one of the principal activities of the Group.

The Group's strategy is to maintain securities investment portfolio for treasury management. As at 31 December 2019, the Group's securities investment portfolio mainly comprised of bonds and listed equity investments. The Group's primary objectives when managing capital are to safeguard the abilities of the entities in the Group to continue as a going concern, so that it can continue to provide returns for shareholders of the Company. The Group's strategy for future investment is to invest in a diversified portfolio to minimise risks with attractive yield, good liquidity and issuers from reputable entities, so as to maintain a healthy financial status and grasp every good investment chance.

The gain recognised from securities investments and treasury products for the Year was approximately HK\$1,685.7 million. Details of the performance of securities investments are disclosed in the "Financial Operation Review" of this annual report.

The Group will continue to closely monitor its portfolio of securities investment to achieve satisfactory returns.

## 管理層討論與分析 (續)

### 海外物業投資 (續)

「St George Street 14號」為一幢位於英國倫敦之永久業權寫字樓。該物業由面積合共約51,861平方呎分佈於地下低層、地下及樓上四層之寫字樓樓面組成。該物業之所有單位於本年度內均獲承租。

「Oxford Street 61-67號及Soho Street 11-14號」為一幢位於英國倫敦之永久業權綜合用途樓宇，面積合共約55,162平方呎。該物業提供零售、寫字樓及住宅單位，面積分別約33,850平方呎、13,735平方呎及7,577平方呎，由地下低層、地下及樓上六層組成。於本年度內平均約94.43%獲承租。

「St James's Square 11及12號以及Ormond Yard 14至17號」為一幢位於英國倫敦之永久業權綜合用途樓宇。該物業提供約80,000平方呎之寫字樓樓面，分佈於地下低層、地下及樓上六層。於本年度內平均約93.26%獲承租。

### 證券投資

證券投資乃本集團其中一項主要業務。

本集團的策略是維持證券投資組合的財資管理。於二零一九年十二月三十一日，本集團證券投資組合主要包括債券及上市股本投資。本集團管理資本之主要目標為保持本集團之實體持續經營之能力，以確保本集團能為本公司股東持續提供回報。本集團之未來投資策略是投資於具吸引收益率、充分流動性及由信譽良好之發行人發行之多元化投資組合以把風險降至最低，從而保持穩健的財務狀況，抓住每一個良好的投資機會。

本年度證券投資及財資產品確認之收益約1,685,700,000港元。證券投資表現之詳情於本年報「財務業務回顧」內披露。

本集團將繼續密切監察其證券投資組合，以取得令人滿意的回報。

## OTHER INFORMATION AND EVENTS AFTER THE REPORTING PERIOD

### Leasing of Windsor House – Connected Transaction and Continuing Connected Transactions

On 28 February 2019, the Group (as tenant) entered into (a) a tenancy agreement in relation to the leasing of the whole of 17th floor of Chubb Tower, Windsor House; and (b) an agreement for lease in relation to the leasing of the whole of 19th floor, the whole of 20th floor and the whole of 21st floor of Chubb Tower, Windsor House (the "Subsequent Tenancy"), with a company at that time indirectly owned by (i) Ms. Chan, Hoi-wan (an Executive Director and a trustee of the substantial shareholders of the Company (who are two of her minor children)), both in her capacity as a trustee of her minor children and in her own capacity; (ii) Mr. Lau, Ming-wai (a Non-executive Director, the Chairman of the Board and a substantial shareholder of the Company); and (iii) a family trust of Mr. Joseph Lau, Luen-hung (the spouse of Ms. Chan, Hoi-wan) (as landlord) (the "Transactions"), for the purpose of new headquarter of the Group. The Transactions constituted a connected transaction and continuing connected transactions for the Company under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules") as more described in the Company's announcement dated 28 February 2019. A tenancy agreement in relation to the Subsequent Tenancy has been entered into on 18 October 2019.

### Adoption of Dividend Policy

The Board has approved and adopted a dividend policy for the Company on 5 March 2019, details as disclosed in the "Corporate Governance Report" of the Company's 2018 annual report.

### Change of Address of Registered Office in Bermuda

As announced on 15 July 2019, the address of the Company's registered office in Bermuda has been changed to Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda with effect from 15 July 2019.

### Change of Address of Principal Registrar and Transfer Office in Bermuda

As announced on 19 July 2019, the address of MUFG Fund Services (Bermuda) Limited, the Company's principal registrar and transfer office in Bermuda, has been changed to 4th Floor North, Cedar House, 41 Cedar Avenue, Hamilton HM 12, Bermuda with effect from 19 July 2019.

## 其他資料及報告期末後事項

### 租賃皇室大廈 – 關連交易及持續關連交易

於二零一九年二月二十八日，本集團（作為租戶）與當時由(i)陳凱韻女士（執行董事及本公司之主要股東（彼之兩名未成年子女）之信託人）（以其未成年子女之信託人之身份及其本身之身份）、(ii)劉鳴煒先生（非執行董事、董事會主席及本公司之主要股東）、及(iii)劉鑾雄先生（陳凱韻女士之配偶）之家族信託間接持有之公司（作為業主）訂立(a)一份有關租賃皇室大廈安達人壽大樓17樓全層的租賃協議；及(b)一份有關租賃皇室大廈安達人壽大樓19樓全層、20樓全層及21樓全層（「其後租賃」）的同意租賃協議（「該等交易」），作為本集團之新總部。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」）該等交易構成本公司之關連交易及持續關連交易，詳情載列於本公司日期為二零一九年二月二十八日之公布內。其後租賃之相關的租賃協議已於二零一九年十月十八日簽訂。

### 採納股息政策

董事會已於二零一九年三月五日批准並採納本公司的股息政策，詳情於本公司二零一八年年報之「企業管治報告書」內披露。

### 百慕達註冊辦事處之地址變更

誠如二零一九年七月十五日發出之公布，自二零一九年七月十五日起，本公司於百慕達之註冊辦事處地址已變更為Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda。

### 百慕達主要過戶登記處之地址變更

誠如二零一九年七月十九日發出之公布，自二零一九年七月十九日起，本公司於百慕達之主要過戶登記處MUFG Fund Services (Bermuda) Limited之地址已變更為4th Floor North, Cedar House, 41 Cedar Avenue, Hamilton HM 12, Bermuda。

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

### Subscription of Notes – Discloseable Transaction

On 15 November 2019, the Group entered into a placement and subscription agreement in relation to the subscription of the US\$100,000,000 9.75% senior notes due 2020 to be issued by Zhongliang Holdings Group Company Limited (the shares of which are listed on the Main Board of the Stock Exchange (stock code: 2772)), an independent third party, at the issue price of US\$98,287,000 (equivalent to approximately HK\$770,305,000), representing 98.287% of the principal amount of the notes (the "Subscription"). The Subscription constituted a discloseable transaction for the Company as more described in the Company's announcement dated 26 November 2019.

### Acquisition of Remaining Interest in Nos.14-18 Ma Kok Street, Tsuen Wan – Discloseable Transaction

As announced on 10 January 2020, the Group has on 10 January 2020 entered into a sale and purchase agreement with an independent third party in relation to, inter alia, the acquisition of the remaining 49% interest in Landrich (H.K.) Limited ("Landrich") (the owner of Tsuen Wan Town Lot No.128 situated at Nos.14-18 Ma Kok Street, Tsuen Wan, New Territories, Hong Kong and the building erected thereon) (the "Acquisition"). The Group initially acquired 50% interest in Landrich in March 2018 and further acquired 1% interest in Landrich in December 2019 (the "Previous Acquisitions"). Subsequent to the completion of the Acquisition on 28 February 2020, Landrich has become a wholly-owned subsidiary of the Company. The Acquisition (aggregated with the Previous Acquisitions) constituted a discloseable transaction of the Company under the Listing Rules.

### Disposal of Debt Securities – Major and Connected Transaction

The Group has on 29 January 2020 entered into a disposal agreement with Ms. Chan, Hoi-wan (an Executive Director and a trustee of the substantial shareholders of the Company (who are two of her minor children)) in relation to, inter alia, the disposal of certain debt securities (the "Disposal"). The Disposal constituted a major and connected transaction of the Company under the Listing Rules. Details of the Disposal were set out in the Company's announcement dated 29 January 2020 and circular dated 28 February 2020. The Disposal was approved by the independent shareholders of the Company at the special general meeting of the Company held on 23 March 2020.

## 其他資料及報告期末後事項 (續)

### 認購票據 – 須予披露交易

於二零一九年十一月十五日，本集團訂立一份配售及認購協議，內容有關認購由中梁控股集團有限公司（其股份於聯交所主板上市（股份代號：2772））（獨立第三方）將發行之二零二零年到期100,000,000美元9.75厘之優先票據，發行價為98,287,000美元（相當於約770,305,000港元），相當於該票據本金額之98.287%（「該認購」）。該認購構成本公司之須予披露交易，詳情載列於本公司日期為二零一九年十一月二十六日之公布內。

### 收購荃灣馬角街14至18號餘下權益 – 須予披露交易

誠如二零二零年一月十日發出之公布，本集團與獨立第三方於二零二零年一月十日訂立一份買賣協議，內容有關（其中包括）收購隆裕（香港）有限公司（「隆裕」）（持有香港新界荃灣馬角街14至18號之荃灣市地段128號及其上蓋建築物）餘下49%權益（「該收購」）。本集團最初於二零一八年三月購入隆裕50%權益，並其後於二零一九年十二月進一步購入隆裕1%權益（「先前收購事項」）。該收購於二零二零年二月二十八日完成後，隆裕已成為本公司的全資擁有附屬公司。根據上市規則，該收購（與先前收購事項合併計算）構成本公司之須予披露交易。

### 出售債務證券 – 主要及關連交易

本集團於二零二零年一月二十九日與陳凱韻女士（執行董事及本公司之主要股東（彼之兩名未成年子女）之信託人）訂立出售協議，內容有關（其中包括）出售若干債務證券（「該出售」）。根據上市規則，該出售構成本公司之主要及關連交易。該出售之詳情載於本公司日期為二零二零年一月二十九日之公布及日期為二零二零年二月二十八日之通函內。該出售獲本公司獨立股東於二零二零年三月二十三日舉行之本公司股東特別大會上批准。



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

### Disposal of Perpetual Bond – Discloseable Transaction

On 19 March 2020, the Group disposed of the 7.5% fixed rate resetting perpetual subordinated contingent convertible securities issued by Standard Chartered PLC (the shares of which are listed on the London Stock Exchange, the Stock Exchange (stock code: 2888), the Bombay Stock Exchange in India and the National Stock Exchange in India) (the "Perpetual Bond") in the principal amount of US\$2,500,000 (equivalent to approximately HK\$19,490,000) through over-the-counter market for a consideration of approximately US\$2,265,000 (equivalent to approximately HK\$17,655,000) (inclusive of accrued interest) (the "Bond Disposal"). The Bond Disposal (when aggregated with the conditional disposal of the Perpetual Bond under the Disposal mentioned in the above paragraph) constituted a discloseable transaction for the Company under the Listing Rules as more described in the Company's announcement dated 20 March 2020.

### Outbreak of Novel Coronavirus

Since December 2019, the outbreak of novel coronavirus ("COVID-19") has impact on the global business environment. Pending the development and spread of the epidemic subsequent to the date of this annual report, further changes in economic conditions for the Group arising thereof may have impact on the financial results of the Group, the extent of which could not be estimated as at the date of this annual report. The Group will pay close attention to the development of COVID-19 and evaluate its impact on the financial position and operating results of the Group.

## INVESTOR RELATIONS

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

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

## 其他資料及報告期末後事項 (續)

### 出售永續債券—須予披露交易

於二零二零年三月十九日，本集團透過場外交易市場出售由渣打集團有限公司（其股份於倫敦證券交易所、聯交所（股份代號：2888）以及印度孟買證券交易所及印度國家證券交易所上市）發行，本金額為2,500,000美元（相當於約19,490,000港元）之7.5厘固定利率可重設永續次級或然可換股證券（「永續債券」），代價為約2,265,000美元（相當於約17,655,000港元）（包括應計利息）（「債券出售」）。根據上市規則，債券出售（與前段提述之該出售項下有條件出售永續債券合併計算）構成本公司之須予披露交易，詳情載列於本公司日期為二零二零年三月二十日之公布內。

### 新型冠狀病毒爆發

2019冠狀病毒（「COVID-19」）自二零一九年十二月爆發後，全球營商環境受到影響。視乎疫情於本年報日期後之發展及蔓延情況，本集團之經濟狀況有可能因此進一步變動而對本集團之財務業績構成影響，其影響程度未能於本年報日期估計。本集團將密切留意COVID-19之發展，並評估其對本集團財務狀況及經營業績之影響。

## 投資者關係

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

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

## INVESTOR RELATIONS (Cont'd)

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

Shareholders can raise their enquiries to the Board or the company secretary of the Company in writing by sending such written enquiries to the principal office of the Company in Hong Kong at the address disclosed in "Corporate Information" of this annual report or by email at [investor.relations@chineseestates.com](mailto:investor.relations@chineseestates.com). Shareholders also have right to raise questions at general meetings.

## PROSPECTS

The global economic outlook had turned optimistic in face of the signing of the Phase One Deal on the United States-China trade war, which affects not just the two countries, but most global economies. While the road ahead to the end point of the trade war is likely to be more challenging, it was at least been a positive sign for the market sentiments. Nonetheless, the markets are now faced with a new challenge – COVID-19, which has spread across many parts of the world speedily since the Chinese New Year. The sudden interest rate cut by 1.5% in aggregate and the resumption of quantitative easing by the Federal Reserve of the United States in early and mid of March 2020 posed much concerns on the impact of the virus to economic activities. Furthermore, the sharp decrease in oil price has brought more uncertainty to the world markets. In the short term, it is inevitable that global markets will be hit hard and with significant turbulence during the course.

Hong Kong economy has been hammered badly from protests and demonstrations that have taken place since mid-2019, with the first budget deficit in 15 years forthcoming. Coupled with the outbreak of COVID-19 and various measures including travel restrictions and new border control measures implemented in many countries to prevent the spread of the virus, local retail consumption and tourist arrivals are experiencing significant downward pressure. It is therefore expected that a longer time would be required for our investment properties to be fully healed.

## 投資者關係 (續)

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

股東可以書面方式向董事會或本公司之公司秘書作查詢，該書面查詢可送交至本公司香港主要辦事處，地址載於本年報「公司資料」內或電郵至[investor.relations@chineseestates.com](mailto:investor.relations@chineseestates.com)。股東亦有權於股東大會上作出提問。

## 展望

環球經濟展望隨著中美雙方簽署第一階段協議後轉趨樂觀，中美貿易戰不只影響中美兩國，更影響全球大部分經濟體。雖然結束貿易戰之前路充滿挑戰，但當前至少對市場氣氛有正面作用。然而，COVID-19自農曆新年起在全世界多個地區迅速傳播為市場帶來新挑戰。美國聯邦儲備局於二零二零年三月初及三月中突然減息共1.5厘及重新啟動量化寬鬆，顯示該病毒對經濟活動的影響帶來擔憂。此外，油價急劇下跌為環球市場帶來更多不確定性。短期而言，環球市場將無可避免地受到沉重打擊，並顯著波動。

香港經濟因受自二零一九年年中以來持續示威抗議活動影響遭嚴重打擊，並出現十五年來首次赤字預算。加上爆發COVID-19疫情以及多個國家實施不同措施（包括旅遊限制及新邊境管制措施）以防止病毒傳播，本地零售消費及抵港旅客數字正承受著重大下行壓力。因此，預期本集團的投資物業將需要更長時間完全復元。

## PROSPECTS (Cont'd)

After over three years of uncertainty, the United Kingdom has officially left the European Union finally. While there will likely be hard negotiations between the United Kingdom and European Union on various trade and other arrangements over the next 10-month transition period, and hence market turbulence in the meantime is not unexpected, the official departure of the United Kingdom from the European Union has undoubtedly cleared the most significant uncertainty in investments in the United Kingdom. Since the Group has a long-term view for the United Kingdom, we are optimistic that her economy will be on the upside in the long run. The Group will continue to leverage on our expertise and experience in enhancing the values of our properties in the United Kingdom through asset enhancement works to take benefit of the expected economic upswing, albeit a short-term rental income plunge will occur as during the asset enhancement works.

In the short term, the stock markets are bound to be affected by the latest developments on COVID-19 situations, oil price movements, and monetary policies adopted by governments and hence likely to be volatile.

Looking ahead, the Group will continue to be watchful and cautious with our investment decisions. While there are positive signs as regards the long-dragged United States – China Trade War and Brexit, there are new challenges, especially locally in Hong Kong. We believe that our continuous watchful and cautious approach in looking for quality investments will benefit shareholders' value as a whole.

## APPRECIATION

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

**Lau, Ming-wai**

*Chairman*

Hong Kong, 23 March 2020

## 展望 (續)

英國經過超過三年不明朗時期後終於正式脫離歐盟。雖然於未來十個月過渡期內英國與歐盟就不同貿易及其他安排之談判困難重重，不排除會帶來市場波動，但英國正式脫歐無疑掃除於英國投資之最主要不明朗因素。由於本集團對英國著眼長線，對其長遠經濟向好感到樂觀。本集團將繼續善用我們之專長及經驗並透過資產改善工程提升英國物業價值以受惠於預期經濟向上，儘管於資產改善工程過程中將出現短期租金收入下滑。

短期而言，股市將受COVID-19疫情最新發展、油價走勢及各國政府採取之貨幣政策所影響而很可能出現波動。

展望未來，本集團在作出投資決定時將保持警惕並審慎行事。雖然曠日持久之中美貿易戰及英國脫歐為市場帶來正面訊息，但新挑戰亦同時出現，尤其對於香港本地市場。我們相信，本集團以一貫保持警惕及審慎之態度尋找優質投資將有利於股東整體價值。

## 致謝

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

主席

劉鳴燁

香港，二零二零年三月二十三日