



Stock Code: 54

HOPEWELL HOLDINGS LIMITED

合和實業有限公司



ANNUAL RESULTS

2014/15

2014/15 財政年度全年業績

26 August 2015

Presentation slides are available on www.hopewellholdings.com

FY2015

- **Core profit (ex-fair value gain of completed investment properties) up 34% yoy to HK\$1,655m (HK\$1.9 per share)**
公司股東應佔核心溢利(未計及已落成投資物業的公平值收益)按年上升34%至港幣16.55億元(每股港幣1.9元)
- **Total dividend per share: HK120 cents (final DPS: HK70 cents; interim DPS: HK50 cents)**
全年股息每股港幣120仙(末期股息每股港幣70仙; 中期股息每股港幣50仙)
- **Booked HK\$705m revenue from The Avenue Phase 1 sales**
囍匯一期銷售收益港幣7.05億元已入賬
- **Booked redevelopment gain (155-167 QRE) HK\$300m and completion gain (200 QRE retail portion) HK\$120m**
皇后大道東155-167號重建收益港幣3億元及皇后大道東200號的零售部分落成收益港幣1.2億元已入賬
- **KITEC office rental income up 40% yoy**
九展寫字樓的租金收入按年上升40%

FY2016

- **The Avenue Phase 2 (3 towers) sales revenue will be booked**
囍匯二期(共3座)的銷售收益將入賬
- **200 QRE retail portion grand opening 1Q2016**
皇后大道東200號零售部分將於2016年第1季正式開幕
- **KITEC new wedding venue opening summer 2016**
九展新的婚宴場地將於2016年夏季開業

Results Highlights 業績摘要

Continuous growth in investment properties and hospitality businesses

投資物業和酒店及餐飲業務持續增長

Hopewell Centre II construction advancing full-steam forwards

合和中心二期工程全速前進

Proposed development plan for Hill Side Terrace Cluster

提出山坡臺建築群發展計劃

Solid financial position for future investments

具備穩健的財務實力投資新項目

■ Actively manage properties to achieve sustainable growth

採用主動的物業管理以維持增長

- ◆ **Investment properties and hospitality revenue ↑12% to HK\$1,499m in FY15**
2015財政年度投資物業和酒店及餐飲的收入上升12%，達港幣14.99億元
- ◆ **Office rental income of Hopewell Centre and KITEC to maintain growth in FY16 and FY17**
合和中心及九展的寫字樓租金收入，在2016及2017財政年度將維持增長
- ◆ **KITEC overall revenue* ↑26% to HK\$506m in FY15, exceeded target by 5%**
九展2015財政年度的整體收入按年增長26%達港幣5.06億元，較預定目標超出5%

■ **Booked HK\$705m revenue shared from sales of The Avenue Phase 1 (Site B) and HK\$120m completion gain of 200 QRE retail portion in FY15**

囍匯第1期 (B址) 分佔銷售款項港幣7.05億元和皇后大道東200號零售部分落成收益港幣1.2億元，已在2015財政年度內入賬

- ◆ **HHL received HK\$1.7b net proceeds from sales as of 30 Jun 2015**
截至2015年6月30日，合和實業已收取淨銷售款項約港幣17億元

* Including office, retail, C&E, The Metroplex, air conditioning and management fees and F&B businesses, but excluding tenancies for HHL's own use

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 2H2016

合和中心二期項目正進行土地平整工程，計劃於2016年下半年前完工

◆ Structural framework of podium targeted for completion in 1H2017

裙樓主體結構建築工程，預期在2017年上半年完工

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

在可與現有物業能產生協同效應的地點，繼續尋求增加土地儲備的機會

◆ 155-167 Queen’s Road East: Demolition planned to complete in 3Q2015

皇后大道東155-167號：拆卸工程計劃在2015年第3季完工

● Plan to develop a commercial building (scale similar to QRE Plaza)

計劃發展一幢商業大廈 (規模類似QRE Plaza)

◆ Hill Side Terrace Cluster*:

山坡臺建築群：

● Will submit development plan to Town Planning Board in FY16

將於2016財政年度內向城規會提交發展計劃的申請

● Will restore and preserve Nam Koo Terrace and develop a residential building

將會修復和保育南固台，同時發展住宅大廈

* Includes 1-3 Hill Side Terrace, 1A Hill Side Terrace, Nam Koo Terrace, Miu Kang Terrace and Schooner Street Site

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 200 QRE retail portion**

合和中心二期及皇后大道東200號零售部分落成後，將成為灣仔最大的零售集中地之一

Key Highlights – Solid Financial Position



摘要：財務穩健

- **Adequate funding for projects under development**
足以應付發展中項目的資金需要
- **HHL received net proceeds^{N1} of HK\$1.7b from sales of The Avenue as of 30 Jun 2015**
截至2015年6月30日合和實業已收取薆滙的售樓收益淨額港幣17億元
- **Continue to look for appropriate investment opportunities**
繼續尋找合適的投資機會

HHL Corporate Level 合和實業公司層面	30-Jun-14 HK\$'M	30-Jun-15 HK\$'M
Cash 現金	4,194	3,768
Available Committed Banking Facilities 可動用已承諾銀行貸款額	-	190
Cash + Available Committed Banking Facilities 現金+可動用已承諾銀行貸款額	4,194	3,958
Net Debt 淨債務	1,056	592
Net Gearing Ratio[#] (%) 淨資產負債比率	3%	2%

Net debt / Shareholders' equity (exclude equity shared from HHI)

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

Results Highlights

業績摘要

■ Operating profit* from prime-earning businesses HK\$1,169m in FY15

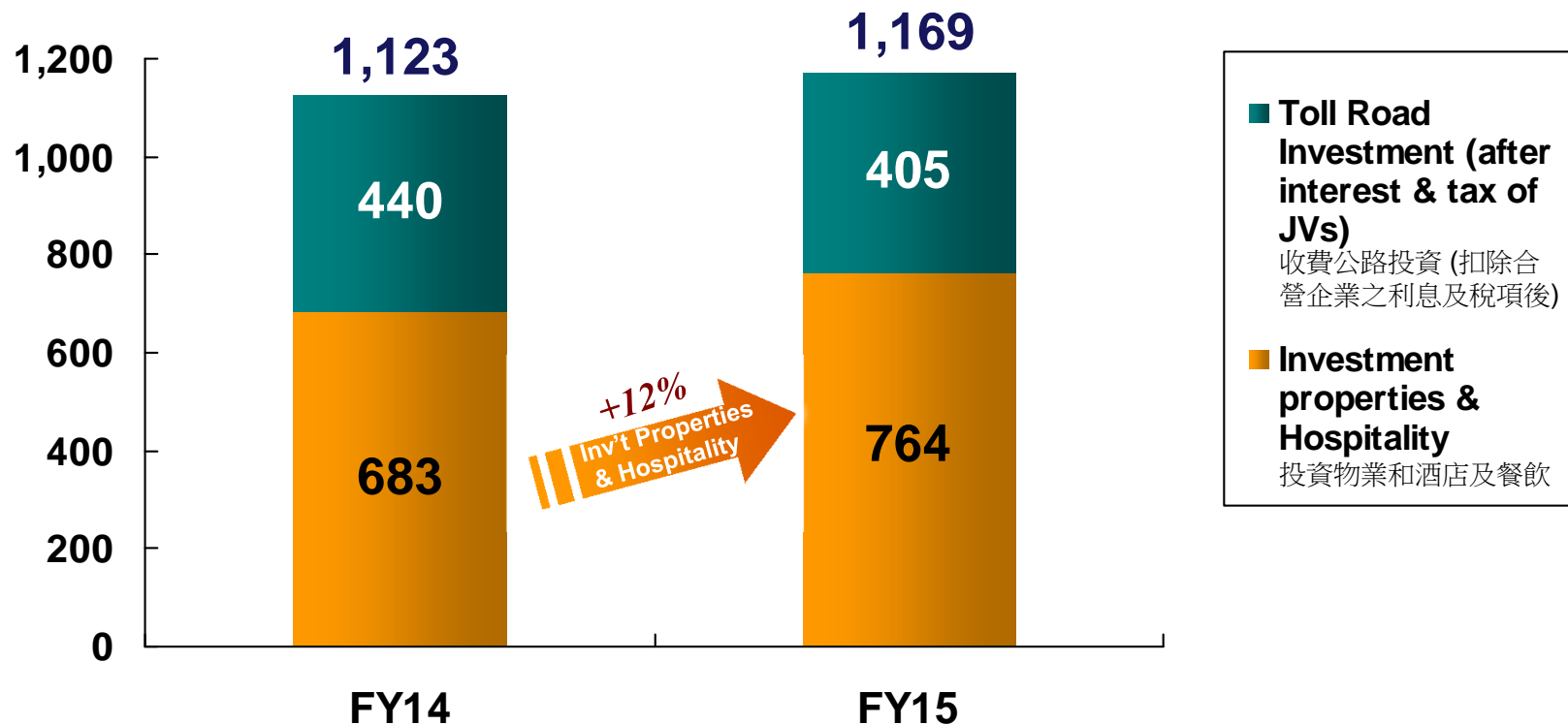
2015財政年度重點收益業務的營運溢利為港幣11.69億元

◆ From toll road investment, investment properties and hospitality

來自收費公路投資、投資物業和酒店及餐飲業務

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



For the year ended 30-Jun (HK\$ in million) 截至6月30日止年度 (港幣百萬元)	2014	2015	% change 變動(%)
EBIT 除利息及稅項前溢利	1,920	2,257	+18%
Core Profit* (excl. fair value gain of completed investment properties) 核心溢利 (未計及已落成投資物業公平值收益)	1,233	1,655	+34%

* Profit including completion gain of 200 QRE retail portion and redevelopment gain of 155-167 QRE

■ EBIT ↑18% mainly due to:

除利息及稅項前溢利上升18%，主要由於：

- i) **Continued growth of investment properties and hospitality businesses**
投資物業和酒店及餐飲業務持續增長
- ii) **Profit shared from sales of The Avenue (Phase 1)**
分佔 囍匯 (第1期) 的銷售溢利
- iii) **Completion gain of 200 QRE retail portion and redevelopment gain of 155-167 QRE^{N1}, offset**
皇后大道東200號零售部分的落成收益及皇后大道東155-167號的重建收益，抵銷了
- iv) **↓ GS Superhighway's profit**
廣深高速的溢利下跌
- v) **Fewer sales recognition of Hopewell New Town**
合和新城銷售入賬減少

■ Profit attributable to owners ↑109% to HK\$2,835m mainly due to completion gain of 200 QRE retail portion, redevelopment gain of 155-167 QRE^{N1} and ↑ fair value gain of completed investment properties

公司股東應佔溢利上升109%至港幣28.35億元，主要由於期內皇后大道東200號零售部分的落成收益、皇后大道東155-167號的重建收益，及已落成投資物業公平值收益的增加

N1: Initial fair value gain arising from the commencement of redevelopment of 155-167 QRE



HHL's Results 合和實業的業績

(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 ^{N1} 除利息及稅項前溢利		
	2014	2015	Change	2014	2015	Change
Investment properties and hospitality 投資物業和酒店及餐飲						
Property letting, agency & management 物業租賃、代理及管理	890	1,015		556	632	
Hotel, restaurant & catering 酒店、餐廳及餐飲營運	454	484		127	132	
sub-total 小計	1,344	1,499	+12%	683	764	+12%
Property development (after interest & tax of JVs) 物業發展 (計及合營企業利息及稅項後)	749	1,071	+43%	299	185	-38%
Toll road investment (after interest & tax of JVs) 收費公路投資 (計及合營企業利息及稅項後)	2,419	2,406	-1%	667	623	-7%
Power plant (after interest & tax of JV) 電廠 (計及合營企業利息及稅項後)	1,233	1,028	-17%	153	164	+7%
Treasury income 庫務收入	247	231	-6%	247	231	-6%
Others 其他	-	-		(129)	(130)	
Revenue / EBIT before completion gain and redevelopment gain 收入／未計及落成收益和重建收益的除利息及稅項前溢利	5,992	6,235	+4%	1,920	1,837	-4%
Completion gain of 200 QRE retail portion 皇后大道東200號零售部分落成收益	-	-		-	120	
Redevelopment gain of 155-167 QRE^{N2} 皇后大道東155-167號重建收益	-	-		-	300	
Revenue / EBIT 收入／除利息及稅項前溢利	5,992	6,235	+4%	1,920	2,257	+18%
				Results 業績		
				2014	2015	Change
Earnings before interest & tax 除利息及稅項前溢利				1,920	2,257	
Finance costs 財務成本				(100)	(90)	
Fair value gain of completed investment properties 已落成投資物業公平值收益				125	1,180	
Profit before tax 除稅項前溢利				1,945	3,347	
Taxation 稅項				(329)	(267)	
Profit for the year 本年度溢利				1,616	3,080	
Minority interests 少數股東應佔淨溢利				(258)	(245)	
Profit attributable to owners of the Company 公司股東應佔溢利				1,358	2,835	+109%
Core Profit (excl. fair value gain of completed investment properties) 核心溢利 (未計及已落成投資物業公平值收益)				1,233	1,655	+34%

N1: These figures represent EBIT of the Company and its subsidiaries plus net profits (after interest and tax) shared from JVs

N2: Initial fair value gain arising from the commencement of redevelopment of 155-167 QRE

Financial Highlights

財務摘要

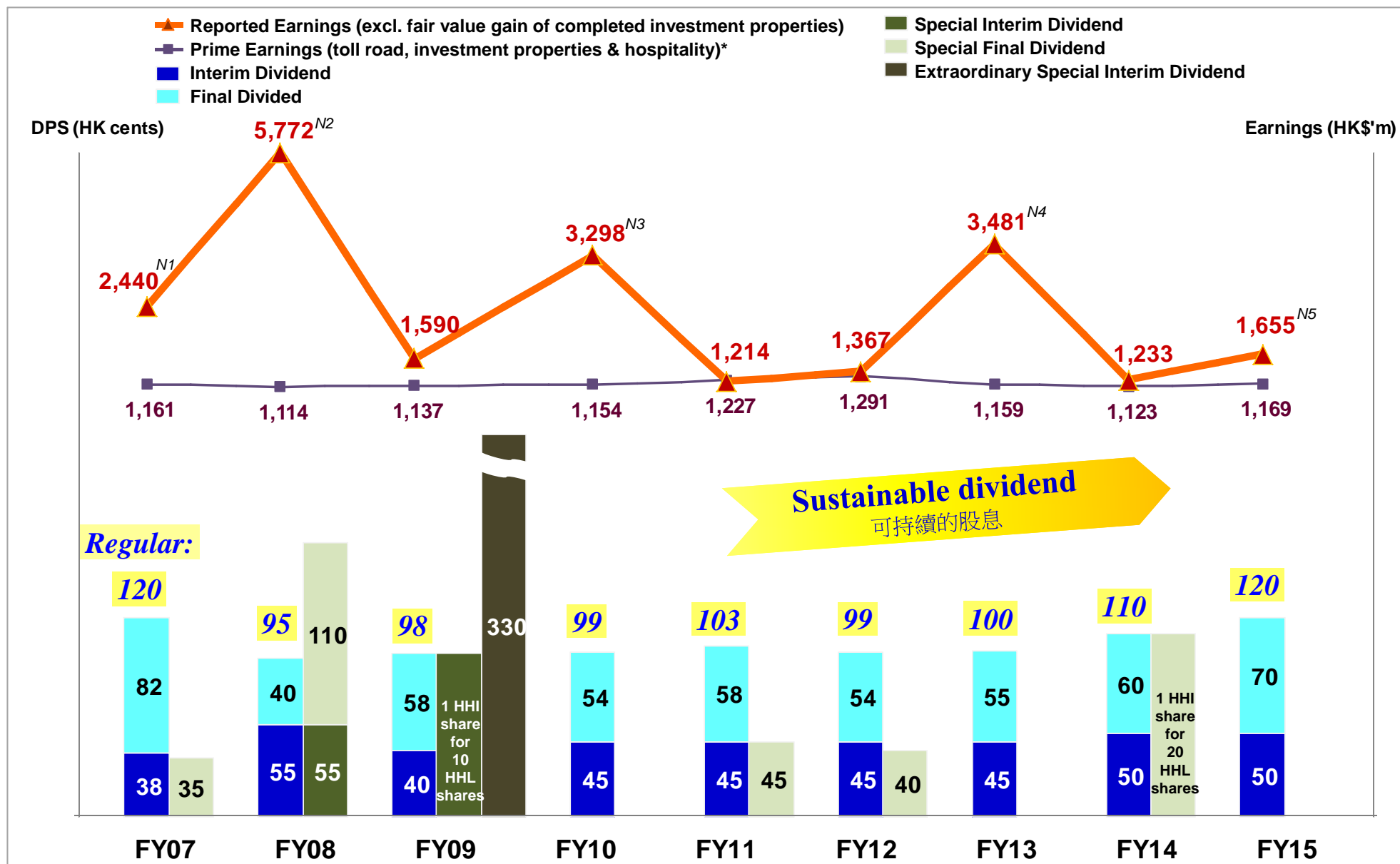


Year ended 30-Jun 截至6月30日止年度	2014	2015	% change 變動(%)	
EPS (HK\$) 每股溢利 (港元)	1.56	3.25	+108%	
DPS (HK cents) 每股股息 (港仙)	Interim: 中期	50	Interim: 中期	50
	Final: 末期	60	Final: 末期	70
	Special Final: 特別末期	In specie of 1 HHI share for 20 HHL shares held 以實物派付的比例為 每持有20股合和實業股份 獲發1股合和公路基建股份	Special Final: 特別末期	-
	Total: 合計	110	Total: 合計	120

HHL's Dividend & Earnings History



合和實業的股息及收益往績



* EBIT net of proportional share by non-controlling interests

N1: Including Nova City property sales

N2: Including disposal gain of Nova City HK\$3,948m and Ring Road HK\$793m

N3: Including BW12 completion gain HK\$2,238m

N4: Including HCII land conversion gain HK\$2,249m

N5: Including 200 QRE retail portion completion gain HK\$120m & 155-167 QRE redevelopment gain HK\$300m



Investment Properties & Hospitality

投資物業和酒店及餐飲

Investment Properties and Hospitality



- Healthy Growth in past 5 years

投資物業和酒店及餐飲：過去5年增長穩健

■ Revenue ↑12% yoy to HK\$1,499m in FY15

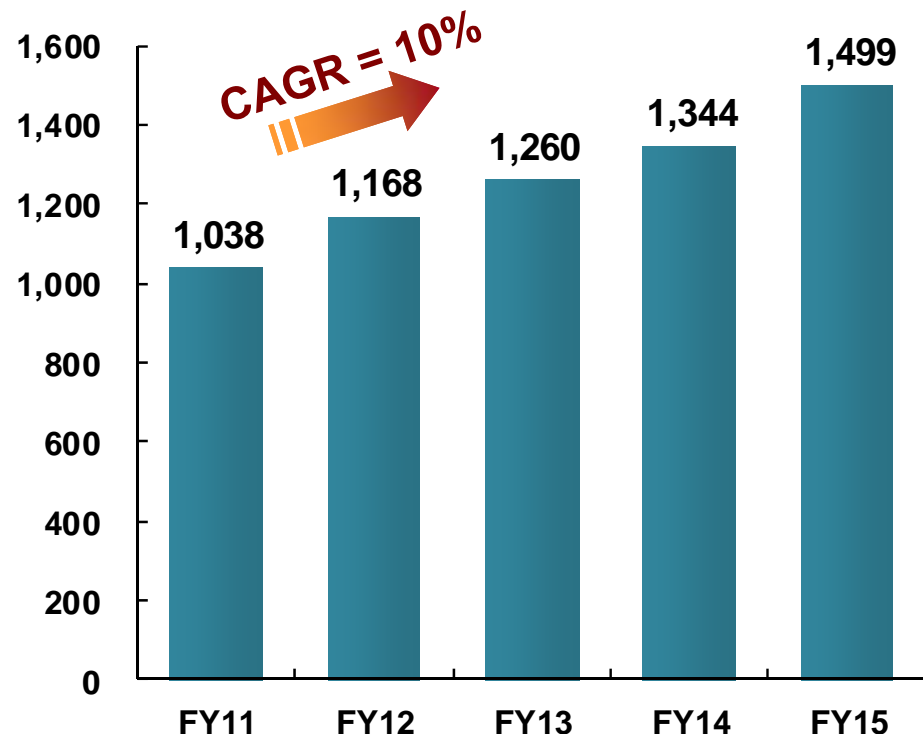
2015財政年度的收入按年增長12%達港幣14.99億元

■ EBIT ↑12% yoy to HK\$764m in FY15

2015財政年度的除利息及稅項前溢利按年增長12%達港幣7.64億元

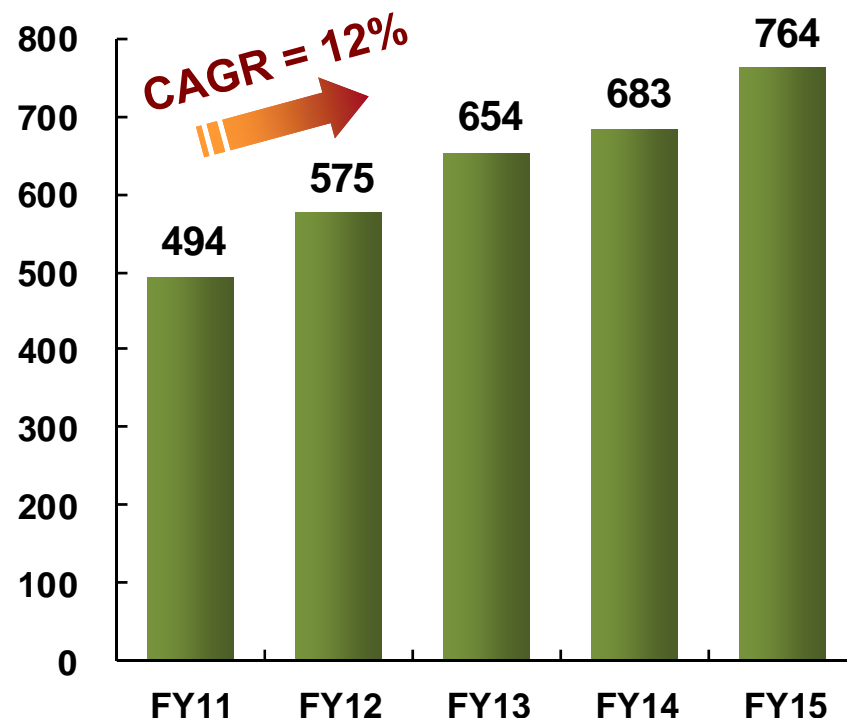
Revenue – Investment Properties & Hospitality

(HK\$ in million)



EBIT – Investment Properties & Hospitality

(HK\$ in million)



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 ^{N1} 平均出租率		YoY change in Average Rental Rate 平均租金的按年變動
	FY14	FY15	
Hopewell Centre 合和中心	96%	95%	+10%
KITEC Office 九龍灣國際展貿中心寫字樓	96%	96%	+23%
KITEC E-Max 九龍灣國際展貿中心E-Max	85% ^{N2} (refurbishment)	88%	+32%
Panda Place 悅來坊商場	97%	95%	+6%
QRE Plaza	94%	91% ^{N3}	+11%
GardenEast (apartments)	95%	94%	+7%

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 certain portions of E-Max retail space for refurbishment which started in Apr 2013

N3: 100% as at 30 Jun 2015

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

FY15 rental income exceeded target

2015財政年度租金收入已超越預定目標

Office	Growth Target												Average Spot Rent (HK\$/sq.ft.)		
	Rental Income ^{N1} (HK\$m)							Average Passing Rent (HK\$/sq.ft.)					Actual		
	Actual			Target (not less than)				Actual			Target (not less than)				
	FY14	FY15	yoy	FY16	yoy	FY17	yoy	FY14	FY15	yoy	FY16	yoy	FY14	FY15	yoy
Hopewell Centre	236	264 ^{N2}	+12%	270	+2%	285	+6%	37.7	41.1	+9%	43.5	+6%	46.5	48.1	+3%
KITEC	89	125	+40%	140	+12%	150	+7%	13.0	16.0	+23%	17.5	+9%	19.0	19.0	+0%

Exceeded target

N1: Excludes tenancies for HHL's own use

N2: Includes a one-off rental adjustment of approx. HK\$8m generated from a tenant after its contract renewal

N3: Target FY16 rental income growth would be 5% yoy if excluding the HK\$8m one-off rental adjustment in FY15

Hopewell Centre (Office), Wan Chai



灣仔合和中心寫字樓

Benefited from office decentralisation

受惠於寫字樓租戶遷離核心區域

Rental income growth mainly driven by:

租金收入上升主要由於：

Continuous enhancement of facilities and services

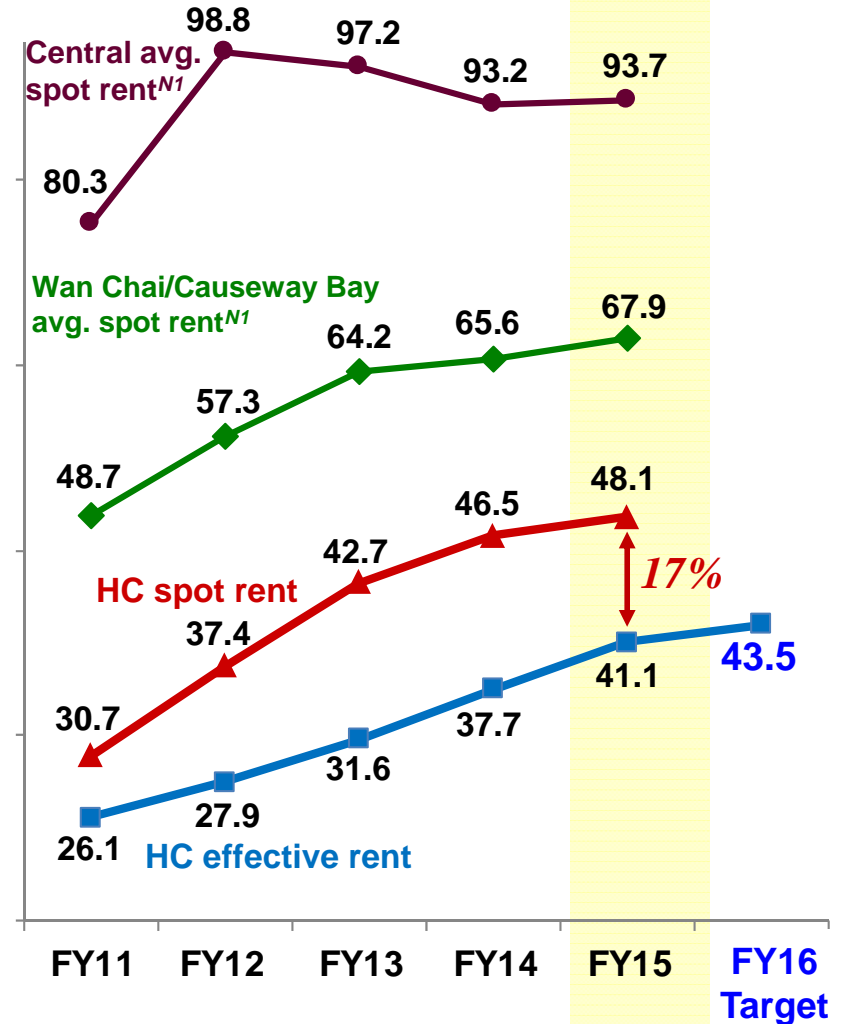
不斷優化設施和服務

Refining tenant mix

優化租戶組合

Hopewell Centre office spot rents vs peers

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



N1: Figures from Rating & Valuation Dept, FY15 figures up to Jun-15

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 completed in May 2015**

外牆翻新工程已在2015年5月完工

- **The Grand Buffet at 62/F (run by the same operator of 3 Michelin-starred L'Atelier de Joël Robuchon) opened in Jan 2015**

位於62樓的「自助山」(由米芝蓮三星食府L'Atelier de Joël Robuchon的營運商經營)，已於2015年1月開業

- **MUJI (popular Japanese lifestyle brand) opened in Jun 2015**

無印良品 (日本人氣休閒生活品牌) 已在2015年6月開張

- **INFINITI's duplex showroom (Japan's premium auto brand) on G/F grand opened in Jun 2015**

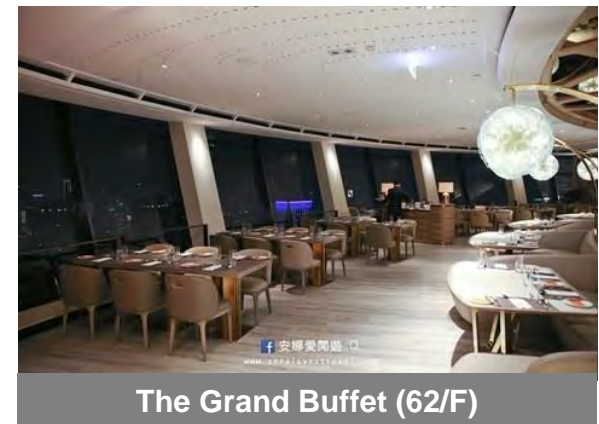
位於地下雙層展覽廳的 INFINITI (日本豪華汽車品牌) 已在2015年6月正式開幕

- **Tang's Cuisine, high-end Chinese restaurant, targeted to open in 3Q2015 at 8/F**

知名高級中國食府唐宮壹號，預期在2015年第3季於8樓開業



Hopewell Centre Podium Façade



The Grand Buffet (62/F)

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

Conversion of retail space on 6/F to office & conference facilities* completed in Mar 2015

6樓的零售部分改為寫字樓及會議設施，已在2015年3月完工

◆ Part of the converted office area taken up by Hospital Authority

部分已改為寫字樓的面積，由醫院管理局租用

Hospital Authority leased ~117,000 sq.ft. at ~HK\$20/sq.ft. with all phases commencing in Jun 2015

醫院管理局以每平方呎約港幣20元租用約11.7萬平方呎，在2015年6月已全部遷入

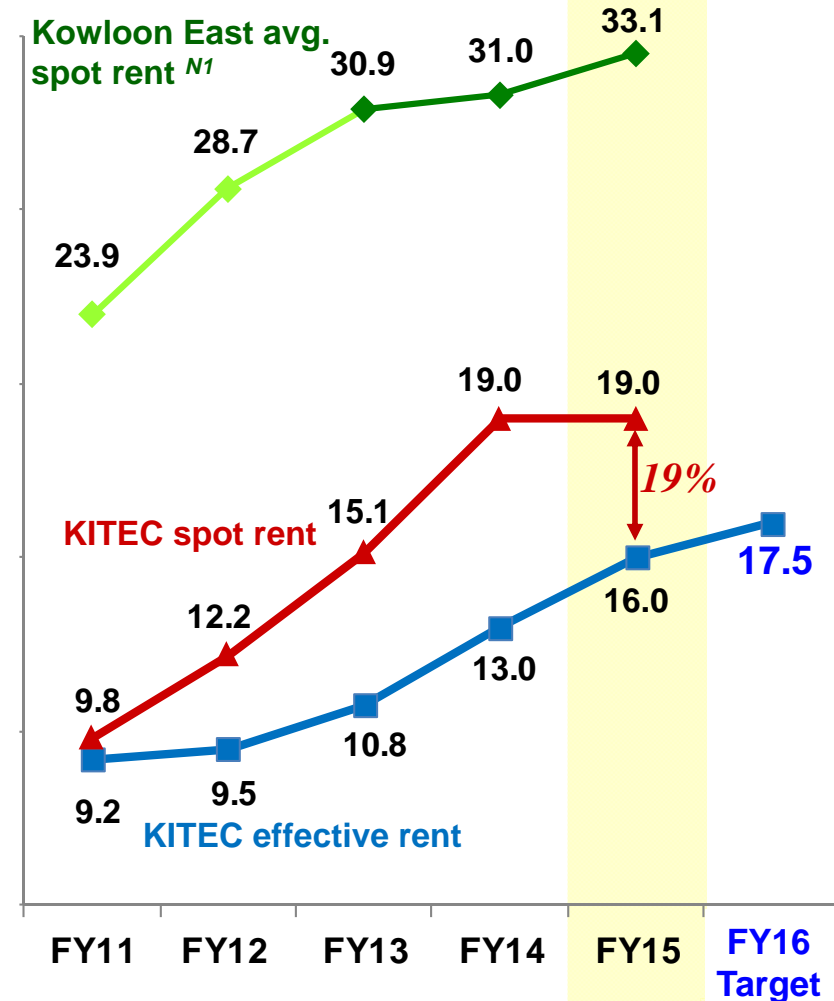
Government: anchor tenant ~256,000 sq.ft. (34% total office GFA) – Hospital Authority, Labour Dept, Registration & Electoral Office

政府部門為主要租戶，租用約256,000平方呎 (佔寫字樓總樓面面積34%) – 醫管局、勞工處、選舉事務處

* GFA after conversion: office approx. 750,000 sq.ft. & retail approx. 760,000 sq.ft.

KITEC office spot rents vs peers

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



N1: FY11-FY12: figures from Savills Research & Consultancy (for reference only)

FY13-FY15: figures from Rating & Valuation Dept (Kowloon Bay/Kwun Tong, Feb13 – Jun15)

E-Max

■ An Australian fitness specialist, BOUNCE, opened its first trampoline gymnasium in Asia Pacific in Jul 2015 (former swimming pool area)

澳洲健身專門中心「BOUNCE」開設其亞太區首間彈牀體育館，已在2015年7月開幕 (前身為游泳池的位置)

- ◆ **Rental rate more than tripled and draw family visitors**
租金為原來的三倍以上，並吸引了家庭顧客

■ The Metroplex attracted over 500k audience since soft opening in Feb 2014

星影匯自2014年2月試業以來已吸引逾50萬名觀眾

- ◆ **Hosted 24 gala premieres (~23% of all premieres in HK) and 8 celebrity events in FY15**
在2015財政年度，共舉辦24個電影首映禮 (佔香港市場份額約23%) 及8個慶典活動

■ Launched E-Max Home (4/F-5/F) in Nov 2014

E-Max家居中心 (位於4樓及5樓) 已在2014年11月開幕

- ◆ **Rental rate more than tripled**
租金為原來的三倍以上
- ◆ **Household furniture, kitchen and home design ideas**
家居傢俬、廚具及家居設計概念



E-Max



E-Max Home (4-5/F)

Panda Place, Tsuen Wan

荃灣悅來坊商場



GFA approx. 229,000ft²
總樓面面積約229,000平方呎

- Rental income ↑4% yoy to HK\$55m due to tenant mix reshuffling

重組租戶組合，令租金收入按年上升4%至港幣5,500萬元

- 2/F Asian epicurean hub fully opened in 1Q2015: rental rate doubled

2樓的亞洲美食中心已在2015年第1季全面開業，租金為原來的兩倍



Panda Hotel, Tsuen Wan

荃灣悅來酒店

■ Total revenue ↑3% yoy to HK\$334m

總收入按年上升3%至港幣3.34億元

◆ Average room occupancy rate 94% and average room rate ↓6% yoy

平均房間入住率為94%；平均房間價格按年下跌6%

◆ Room revenue ↓2% yoy to HK\$230m due to slower growth in tourist arrivals (HKD appreciation and anti-parallel trading), in line with market offset by

客房收入按年下跌2%至港幣2.3億元，主要由於訪港旅客增長放緩（港元升值及反水貨客）所影響，與市場相若，被餐飲業務收入上升所抵銷

◆ F&B revenue ↑16% yoy to HK\$105m

餐飲業務收入按年上升16%至港幣1.05億元

● ↑ Tailor-made catering packages for corporate events and wedding banquets

增加為企業活動和婚宴度身定制酒席套餐

■ Continued strength in USD and HKD negative to hotel room business

美元和港元持續強勢，對酒店客房業務有負面的影響

■ To maintain competitiveness:

為保持競爭力

◆ Continue to diversify customer mix and strengthen MICE business

繼續多元化客戶組合和加強MICE業務

◆ An additional catering venue on M3 (22 tables or 450 people) for banquets and meetings, targets to open in mid-Sep 2015

M3 將新增一個可用作宴會及會議的場所（可容納22桌或450人），並計劃在2015年9月中啟用



Guestroom after revamp

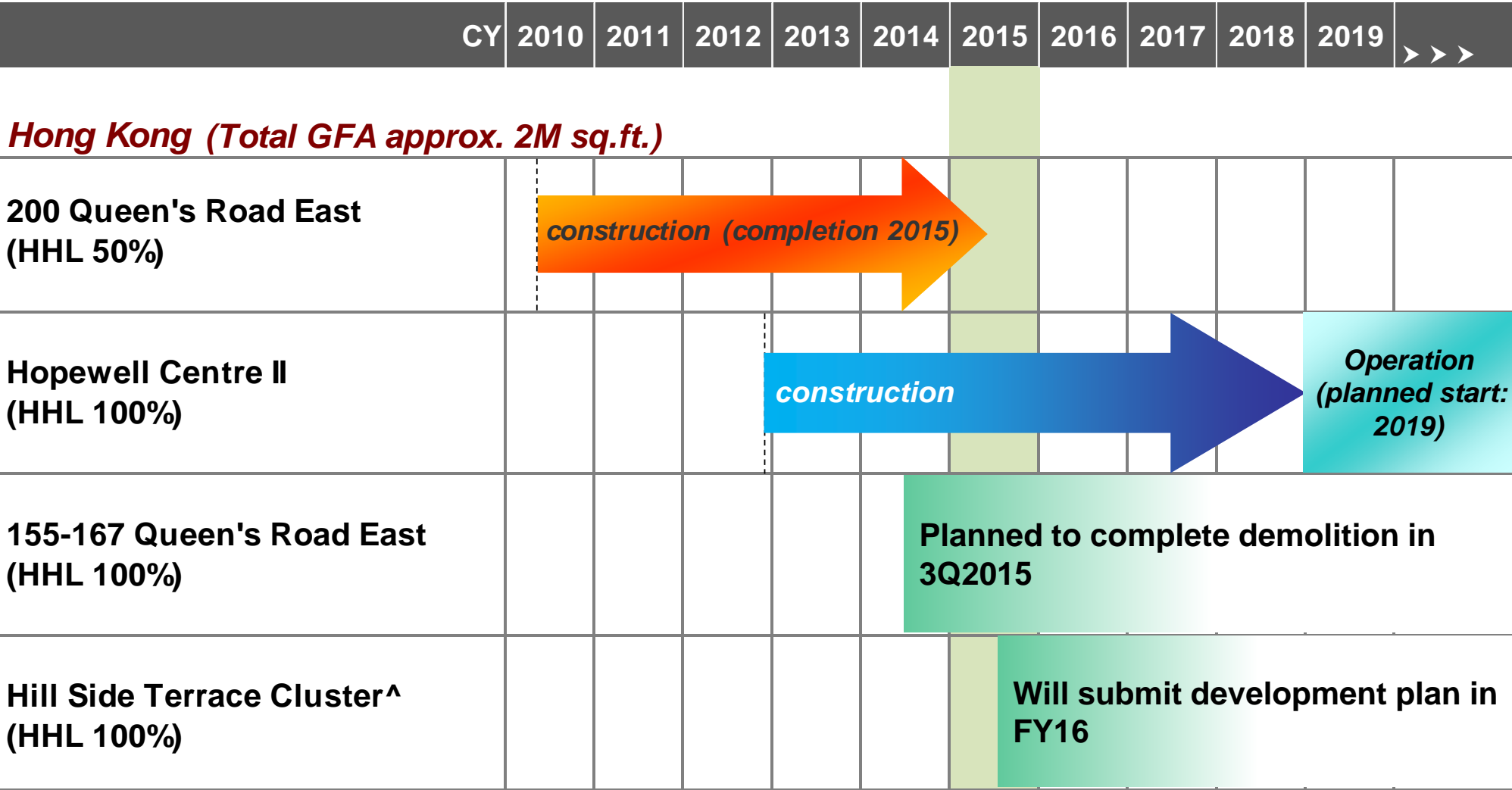


Properties under Development

發展中物業

Construction Timeline for Projects*

項目的工程進度



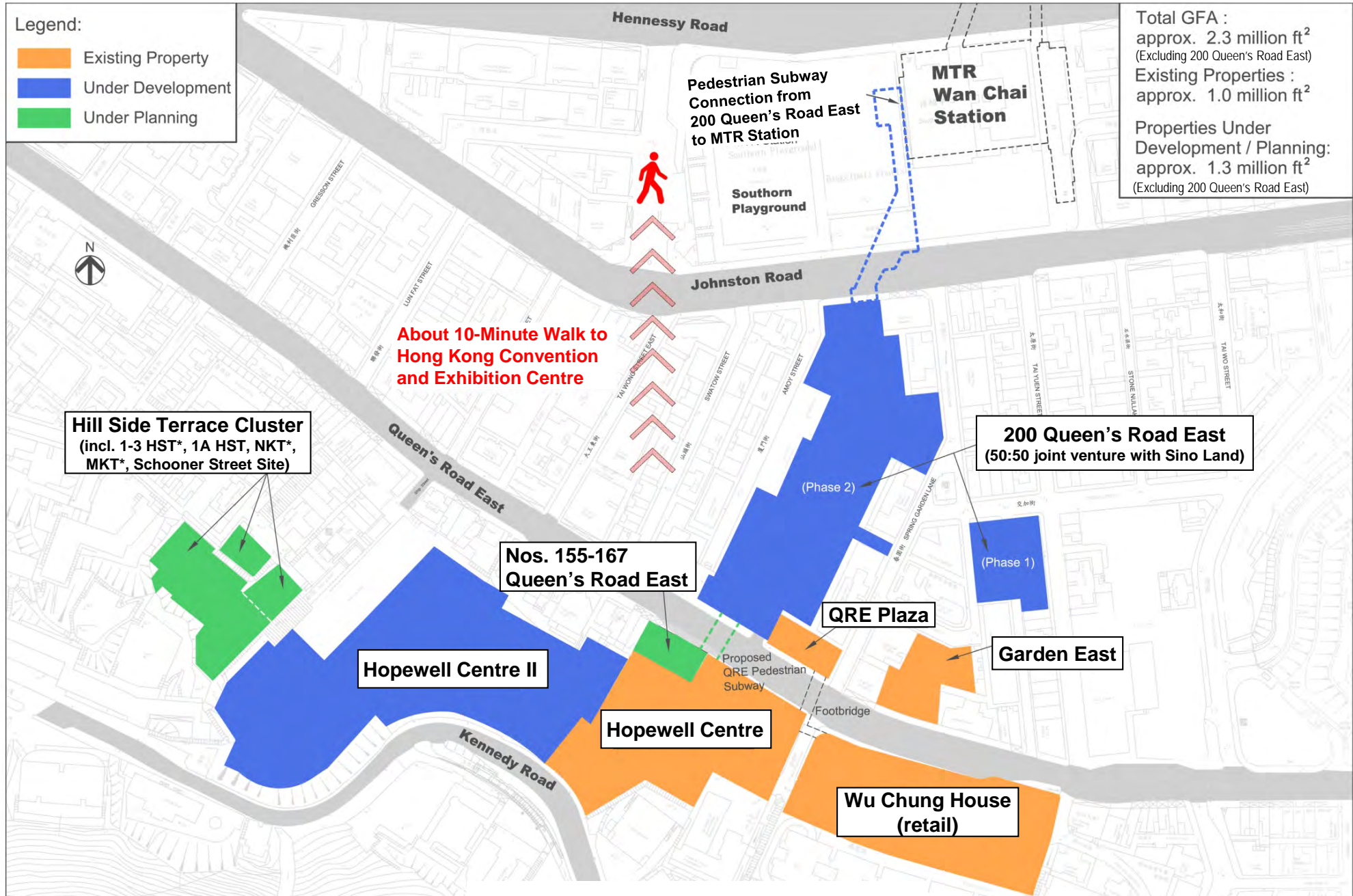
^ Includes 1-3 Hill Side Terrace, 1A Hill Side Terrace, Nam Koo Terrace, Miu Kang Terrace and Schooner Street Site

* Present planning, subject to change

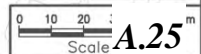
Property Portfolio in Wan Chai



灣仔的物業組合



Remarks: Boundary Line for Indicative only
 *HST / NKT / MKT Represent Hill Side Terrace / Nam Koo Terrace / Miu Kang Terrace Respectively



Development Progress in Wan Chai



於灣仔的發展進程

■ Exploring development opportunities for its various land plots in Wan Chai to enhance synergy

公司在灣仔各地段尋求發展機會，加強物業的協同效應

Properties in Wan Chai	Latest Development
Hopewell Centre II 合和中心二期 (HHL 100%)	<ul style="list-style-type: none">• Submitted an application to refine and enhance the 2009 approved scheme (will not affect construction progress under current planning)
155-167 Queen's Road East 皇后大道東 155-167 號 (HHL 100%)	<ul style="list-style-type: none">• Plan to complete demolition in 3Q2015<ul style="list-style-type: none">• Construction works will commence soon afterwards• Plan to develop a commercial building (scale similar to QRE Plaza)
Hill Side Terrace Cluster* 山坡臺建築群 (HHL 100%)	<ul style="list-style-type: none">• Will submit development plan in FY16

* Includes 1-3 Hill Side Terrace, 1A Hill Side Terrace, Nam Koo Terrace, Miu Kang Terrace and Schooner Street Site

Hopewell Centre II, Wan Chai - Construction Progress

灣仔合和中心二期：工程進度

Total GFA: 101,600 sq.m.

- Hotel: 70,500 sq.m.
- Retail: 27,700 sq.m.
- Office: 3,400 sq.m.



Soil Excavation in Progress
(around 26,000m³ out of 117,000m³ soil & rock are removed)

Updates 最新概況

- **Site formation works in progress with planned completion by 2H 2016^{N1}**
正進行土地平整工程，計劃在2016年下半年完工

- ◆ **Tower Cranes and hoarding erection completed**
已完成安裝天枰及地盤圍板工程

- **Podium structural framework planned for completion in 1H 2017^{N1}**
裙樓主體結構建築工程，計劃在2017年上半年完工

- **Construction of hotel planned to be completed in 2018^{N1}**
酒店部分的建築工程計劃在2018年完工



HCII Site – Site formation work in progress

N1: Present planning, subject to change

Hopewell Centre II, Wan Chai

- Construction Timeline and Capex Plan^{N1}

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
Stage 1 Site preparation works							
Stage 2 Site formation & foundation works ^{N2}							
Stage 3 Podium structural framework							
Later Stage Structural framework, finishing and fitting out works, hotel set up						Planned completion in 2018	

Capex Plan

Financial Year	up to 30 Jun 2015	FY16	FY17	FY18 and Beyond
Amount (HK\$m)	around 4,470 ^{N3}	490	1,290	2,750

Planned Total Investment: around \$9b - \$10b

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, Wan Chai

灣仔皇后大道東155-167號

Demolition is underway and planned to complete in 3Q2015

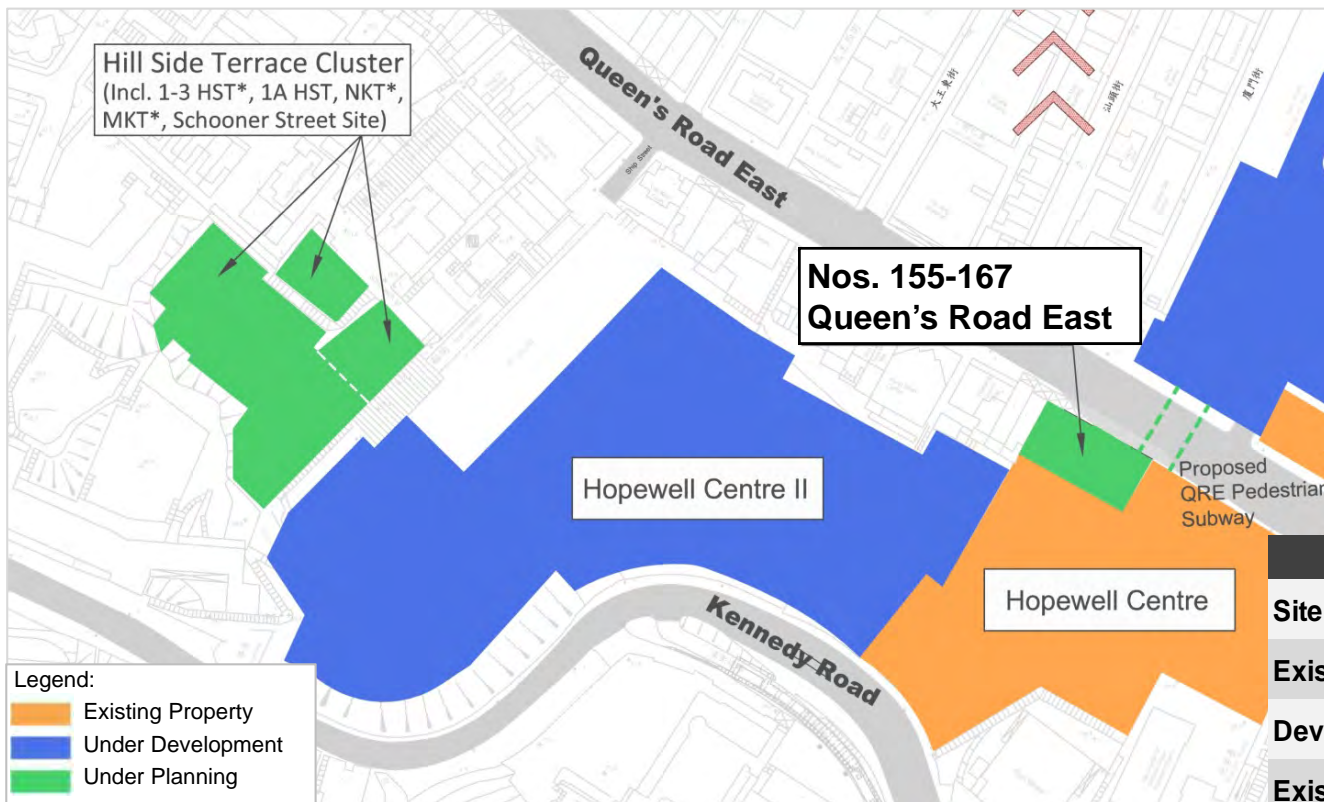
正在拆卸，計劃在2015年第3季完工

Construction works will commence soon afterwards

建築工程將隨後展開

Planning application to build a commercial property was approved by Town Planning Board

城規會已批准興建一幢商業大廈的規劃申請



155-167 Queen's Road East	
Site area (sq.ft.)	5,000
Existing GFA (sq.ft.)	29,490
Development GFA (sq.ft.)	75,000
Existing use	Commercial & Residential

Hill Side Terrace Cluster Comprehensive Development

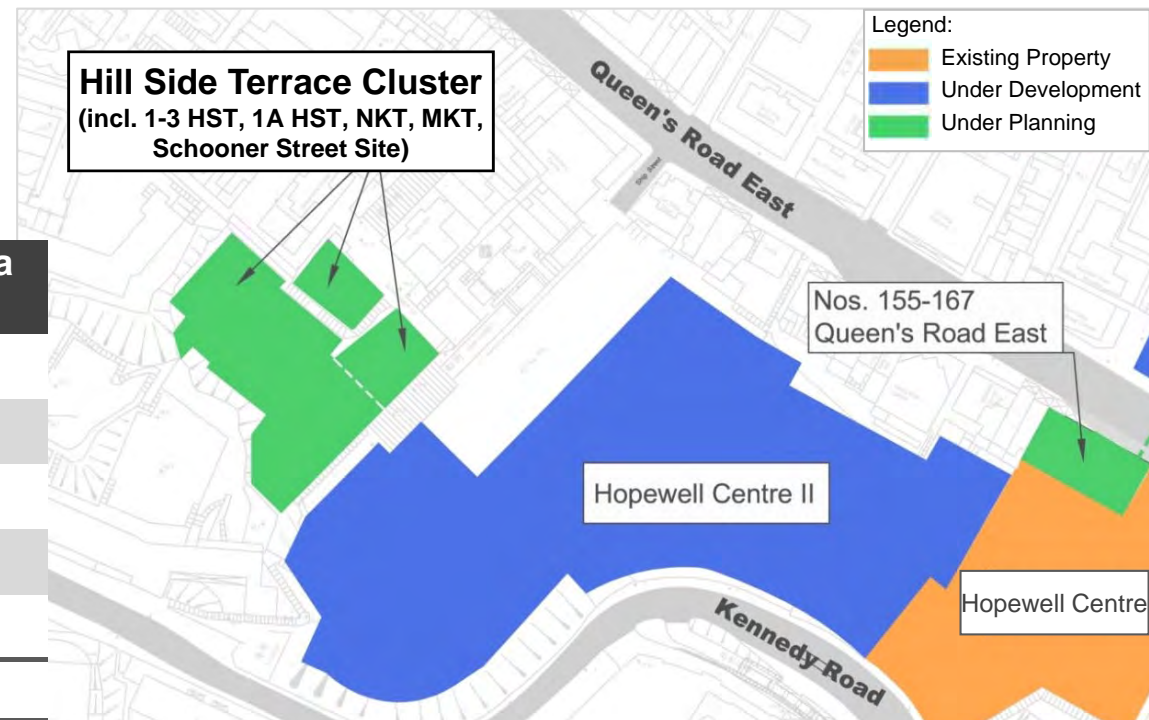


山坡臺建築群綜合發展

- Land plots including 1-3 Hill Side Terrace, 1A Hill Side Terrace, Nam Koo Terrace, Miu Kang Terrace and Schooner Street Site**
 發展地段包括1-3號山坡臺、1A號山坡臺、南固臺、妙鏡臺及捷船街地皮
- Will restore and preserve Nam Koo Terrace and develop a residential building with open space provision**
 將會修復和保育南固台，同時發展住宅大廈並提供休憩場地
- Will submit development plan to Town Planning Board in FY16**
 將於2016財政年度內向城規會提交發展計劃的申請
- Book cost as at 30 Jun 2015: ~HK\$600m**
 截至2015年6月30日，賬面成本約港幣6億元

Land Lots owned by HHL	Acquisition Date	Site Area (sq.m.)
1-3 Hill Side Terrace	1981	516
1A Hill Side Terrace	1988	585
Nam Koo Terrace	1988	685
Miu Kang Terrace	2014*	342
Schooner Street Site	2014	270
	Total:	2,398

*Acquisition date of the last unit



The Avenue, Wan Chai

- Residential Sales

灣仔囍滙住宅銷售

■ As of 16 Aug 2015,

截至2015年8月16日，

◆ Sold 1,226 units or 96% of total units

售出1,226個單位，佔單位總數的96%

Saleable area	Phase 2 (Site A)	Phase 1 (Site B)	Total
Total units	1,096 (554,000 sq.ft.)	179 (103,000 sq.ft.)	1,275 (657,000 sq.ft.)
Units sold	1,048 (504,000 sq.ft.)	178 (101,000 sq.ft.)	1,226 (605,000 sq.ft.)
• As % of total units	96%	99%	96%
• Average selling price (sold units)	HK\$21,900/sq.ft.	HK\$19,900/sq.ft.	
Unsold units	49 (52,000 sq.ft.)		
• Estimated valuation	~HK\$35,000/sq.ft.		

◆ Generated HK\$13.06b 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130.6億元 (未扣除市建局所佔部分)

200 Queen's Road East, Wan Chai

- linked with Wan Chai MTR Station

灣仔皇后大道東200號：連接灣仔港鐵站

- Total investment \$9.8b (HHL's 50%: \$4.9b)
- Total GFA approx. 835,000sq.ft.
 - Residential (The Avenue): approx. 731,000sq.ft. (1,275 units)
 - 200 QRE retail portion: approx. 87,700sq.ft.
- 50:50 JV with Sino Land



The Avenue (Site A)



The Avenue (Site B)

Updates 最新概況

■ Phase 1 (Site B): handover started Dec 2014

第1期 (B址) 由2014年12月開始交樓

■ Phase 2 (Site A): handover 4Q CY15

第2期 (A址) 在2015年第4季交樓

■ FY15 revenue booking (HHL's share after URA sharing)

2015財政年度的收入入賬 (扣除市建局分佔後，合和實業應佔份額)

	FY15
Residential sales revenue - Phase 1	HK\$705m (101,000 sq.ft.)
Completion gain of 200 QRE retail portion	HK\$120m

200 Queen's Road East Retail Portion, Wan Chai



灣仔皇后大道東200號零售部分

- **Retail GFA: 87,700 sq.ft.**
零售商舖的總樓面面積：87,700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**
潛在租戶反應理想
- **Target grand opening in 1Q2016**
目標於2016年第1季開幕

Progress	2014	2015	2016	2017	2018 and Beyond
200 QRE retail portion	2014-3Q2015: Negotiation with potential tenants				
		3Q-4Q2015: Tenants move in and shop decoration			
			1Q2016: Grand opening		
Johnston Tunnel (200 QRE retail portion → MTR)	2Q2014: Approved by Government and under construction. Plan to complete construction in 2017				
Queen's Road East Tunnel (200 QRE retail portion → Hopewell Centre)	Under planning				



Properties for Sale

銷售物業

廣州花都合和新城（住宅及商業）

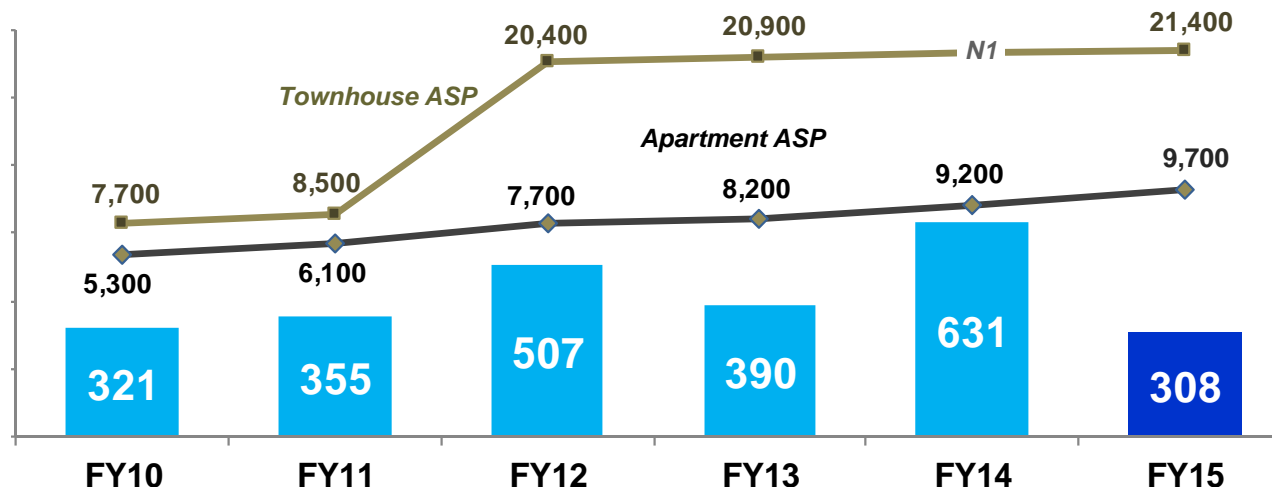
■ **FY15 revenue ↓51% yoy to RMB308m mainly due to**

2015財政年度的收入按年下跌51%至人民幣3.08億元，主要由於

- ◆ **High base in FY14** 2014財政年度的基數較大
- ◆ **Tightening of home purchase restriction in Guangzhou** 廣州市收緊限購令

Revenue and Average Selling Price (“ASP”) Booked

Revenue (RMB'm) ASP (RMB/sq.m.)



Sales booking	Booked in FY15	Target for FY16 & FY17
Floor area	30,500 sq.m. (255 units)*	85,000 sq.m.
Revenue	RMB308m (Target achieved)	RMB850m

* Included 252 apartments (29,600 sq.m.) & 3 Townhouse (900 sq.m.)

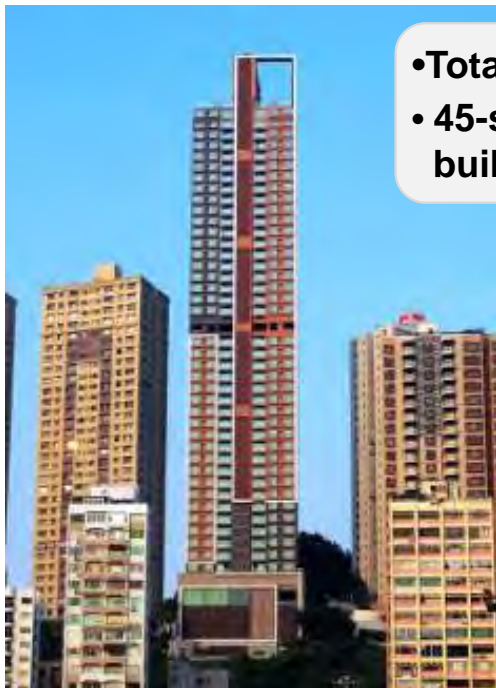
■ **Currently studying various options for the development of a commercial strip with permissible GFA of 150,000 sq.m. (1.6M sq.ft.)**

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

Broadwood Twelve, Happy Valley - Residential



樂天峯, 跑馬地(住宅)



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

Broadwood Twelve



Broadwood Twelve's location

Updates 最新概況

- **As of 16 Aug 2015,**
 - ◆ **Sold 59 out of 76 units, with sales proceeds \$2.7b^{N1}**
截至2015年8月16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)
 - ◆ **5 unsold units leased at average monthly rental rate of \$66/sq.ft. (saleable area)**
已租出5個未售出的單位, 平均呎租港幣66元 (實用面積計)
 - **The leased units will still be available for sale**
已租出的單位仍然可供銷售
- **Sales brochure of unsold units uploaded on website and ready to re-launch sales**
未售出單位的售樓書已上載至網站, 準備重新推售

N1: Includes carpark



Financial Highlights

財務摘要

Sound Financial Plan



穩健的財務計劃

Projects	Target Completion	Total Investment ^{N1} HK\$'M	Interest %	HHL's Injection FY16 to FY18 ^{N1} HK\$'M
<u>Hong Kong</u>				
200 Queen's Road East	2015	9,800	50%	No need to inject further funds
Hopewell Centre II	2018	9,000 - 10,000	100%	3,900 (FY16: 490; FY17: 1,290; FY18: 2,120)
Wan Chai projects ^{N2}	Development plan under study			320
TOTAL				4,220

N1: Present planning, subject to change

N2: Including 155-167 Queen's Road East, Hill Side Terrace Cluster

■ 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, Hopewell New Town and Broadwood Twelve**
囍滙、合和新城及樂天峯帶來的售樓收益
- ◆ **HK\$4b committed banking facilities maturing in 2018**
已承諾銀行貸款港幣40億元，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 Jun 2015 (HK\$ in million)	HHI Business	HHL - Other Businesses	HHL Group Total
Completed investment properties	-	28,196	28,196
Panda Hotel	-	347	347
Properties under development			
Hopewell Centre II			
- Commercial portion	-	4,476	4,476
- Hotel portion	-	2,315	2,315
155-167 Queen's Road East	-	756	756
Properties for development	-	833	833
Interests in JVs (Toll Roads, Power Plant & 200 Queen's Road East)	7,977	1,364	9,341
Other assets/liabilities	1,369	1,173	2,542
Non-controlling interests	(3,109)	(167)	(3,276)
Shareholders' equity	6,237	39,293	45,530
			(HK\$52.2/share)*

Total hidden value

6,964
(HK\$8.0/share)*

Adjusted shareholders' equity (unaudited)

52,494

(HK\$60.2/share)*

As at 30 June 2015	Panda Hotel	HC II hotel portion	HHI Business
Market value	\$3,326m \$3.7m/room DTZ valuation report	\$4,707m \$4.6m/room under development DTZ valuation report	\$7,830m 2,055m shares (HHL's 66.7% stake) x HHI's market price @HK\$3.81 as of 30.6.2015
Book value	\$347m \$0.4m/room at cost less depreciation	\$2,315m \$2.3m/room under development at cost	\$6,237m at cost less depreciation
Hidden value	\$2,979m \$3.4/share*	\$2,392m \$2.8/share*	\$1,593m \$1.8/share*



Total: \$6,964m
\$8.0/share*

* No. of HHL shares in issue: 871.6 million (as of 30 Jun 2015)

Properties Under Development Upcoming Milestones

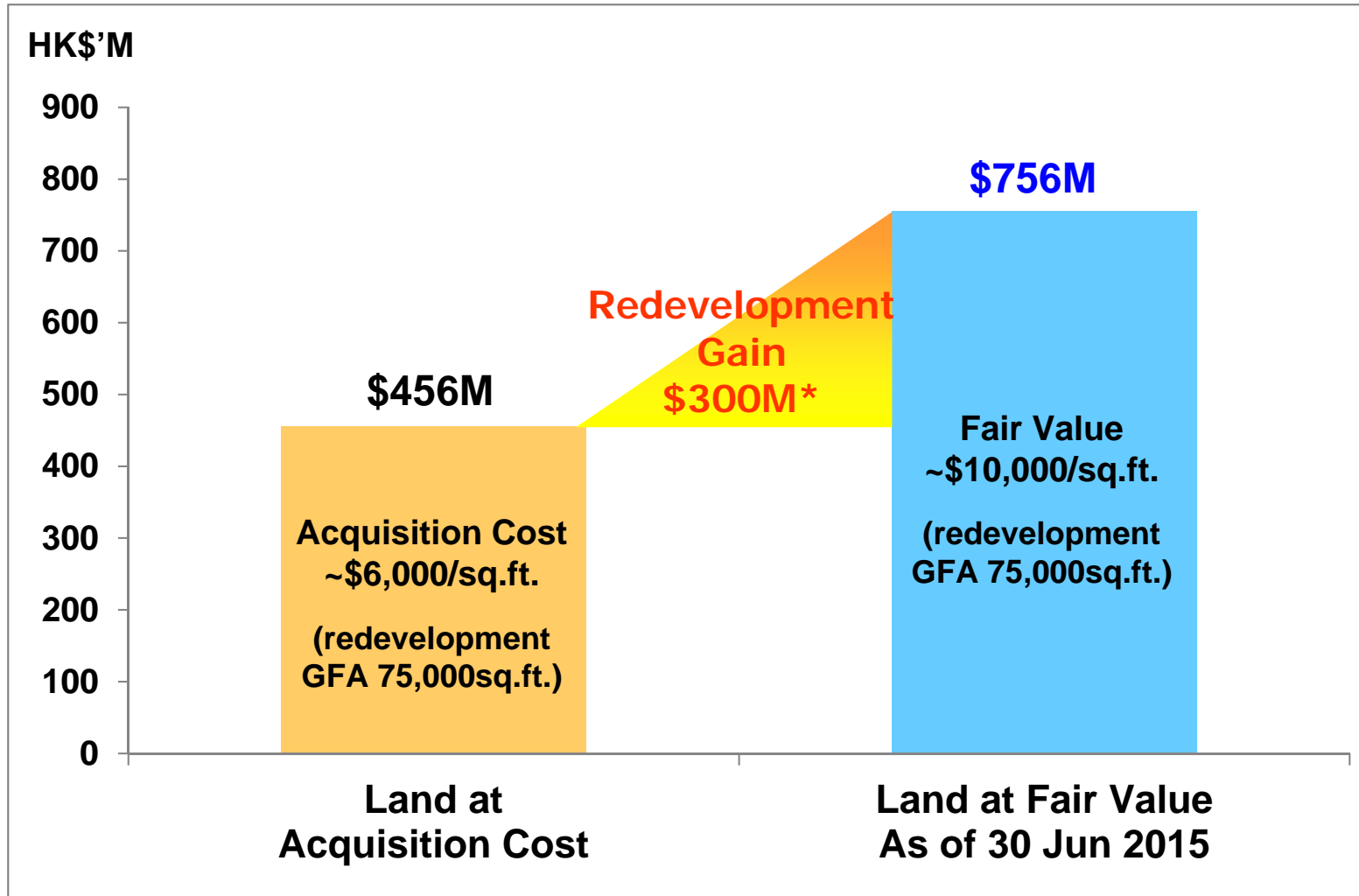
發展中物業未來里程碑

	FY15 (Actual)	FY16	FY17
200 Queen's Road East (HHL's Share) - Residential sales revenue	Phase 1 HK\$705m (101,000 sq.ft.)	Phase 2 HK\$3,897m ^{N1} (504,000 sq.ft.)	
	- Retail portion Completion gain HK\$120m		
Hopewell New Town - Residential sales revenue	RMB308m	Target RMB850m (85,000 sq.m.)	
155-167 Queen's Road East	Development plan approved (redevelopment gain HK\$300m; plot ratio 15x)	Development plan under study	Finalise building plan (up to plot ratio 18x)
Hill Side Terrace Cluster		Submit development plan	

N1: Based on contracted sales up to 16 Aug 2015

155-167 Queen's Road East, Wan Chai - Redevelopment Gain

灣仔皇后大道東155-167號：重建收益



* Initial fair value gain arising from the commencement of redevelopment of 155-167 Queen's Road East

~ End of Presentation ~



Supplementary Information

補充資料

Reconciliation of Revenue and 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	2014	2015	2014	2015
Revenue/EBIT per "HHL Results" slide 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	5,992	6,235	1,920	2,257
Less: 減:				
Treasury income 庫務收入	(247)	(231)	-	-
Shares of revenue of JVs engaged in 應佔合營企業之收入				
- Toll road 收費公路	(2,419)	(2,406)	-	-
- Power plant 電廠	(1,233)	(1,028)	-	-
- Property development 物業發展	-	(705)	-	-
Add: 加:				
Fair value gain of completed investment properties 已落成投資物業公平值收益	-	-	125	1,180
Finance costs 財務成本	-	-	(100)	(90)
Turnover/Profit before taxation per Consolidated Statement of Comprehensive Income 按照綜合全面收益表的營業額／除稅前溢利	2,093	1,865	1,945	3,347

Investment Properties and Hospitality Revenue



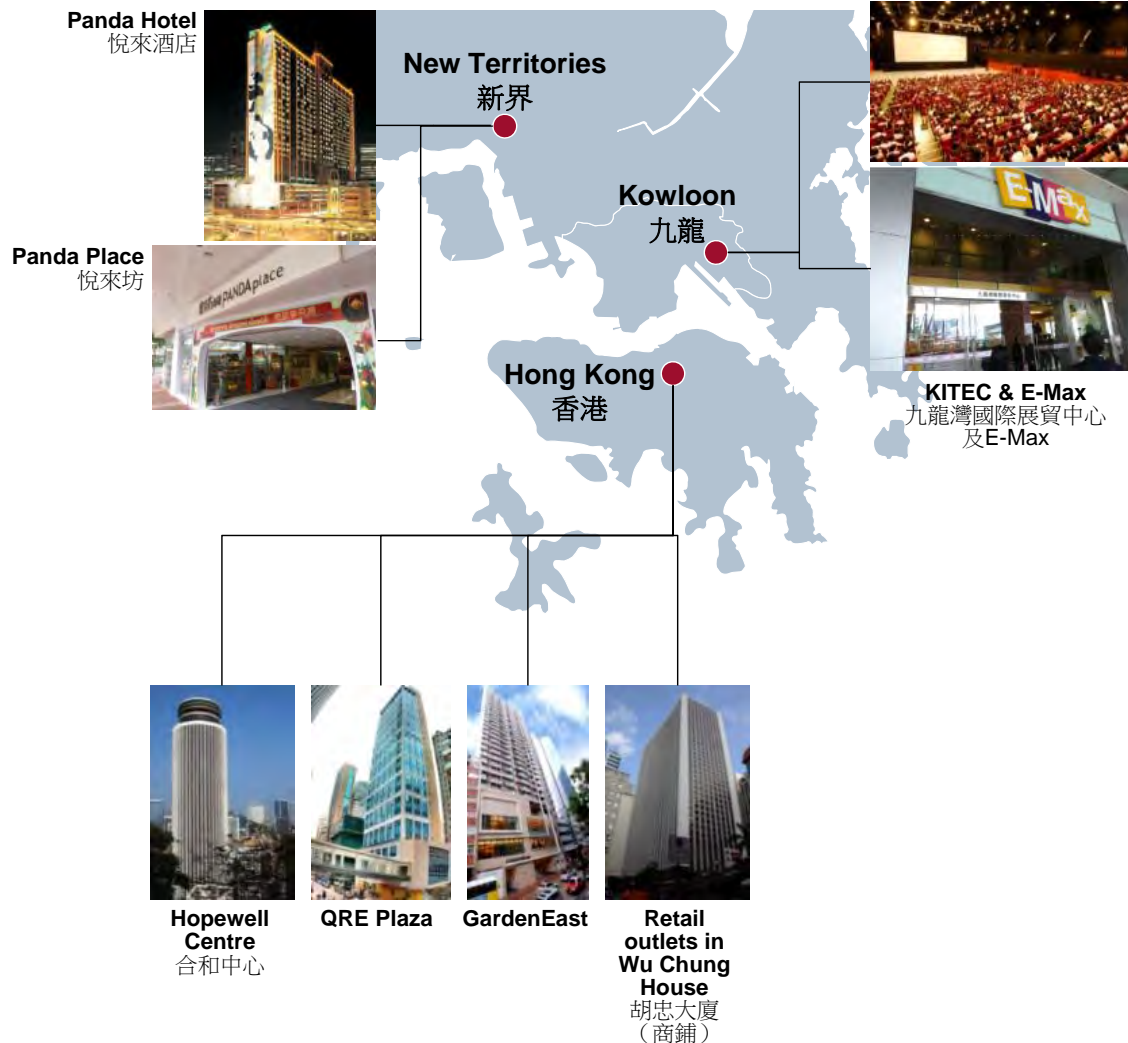
投資物業和酒店及餐飲的收入

(HK\$ in million) For the year ended 30-Jun	Revenue*		yoy change
	2014	2015	
Investment Properties			
Rental income - office	328	390	+19%
Rental income - retail	241	266	+10%
Rental income - residential	76	81	+7%
Convention and exhibition	55	59	+7%
Air conditioning & management fee	137	142	+4%
Carpark & others	53	77	+45%
Investment Properties sub-total	890	1,015	+14%
Hospitality			
Room Revenue	234	230	-2%
Restaurants, catering operations and others	220	254	+15%
Hospitality sub-total	454	484	+7%
Total	1,344	1,499	+12%

* Exclude tenancies for HHL's own use

Investment Properties

投資物業



	Approx. GFA 概約建築面積(sq.ft)
Hopewell Centre 合和中心	840,000
KITEC & E-Max 九龍灣國際展貿中心及E-Max <i>(incl. Start Hall 30,000sqft & Metroplex >1,100 seats)</i>	1,775,000
QRE Plaza	77,000
GardenEast (216 units)	96,500
Wu Chung House retail 胡忠大廈商舖	17,670
Panda Place 悅來坊	229,000
Panda Hotel (911 rooms) 悅來酒店 (911 間客房)	440,000
Total GFA 總樓面面積	3.5M sq.ft.

Hopewell Centre, Wan Chai - Office

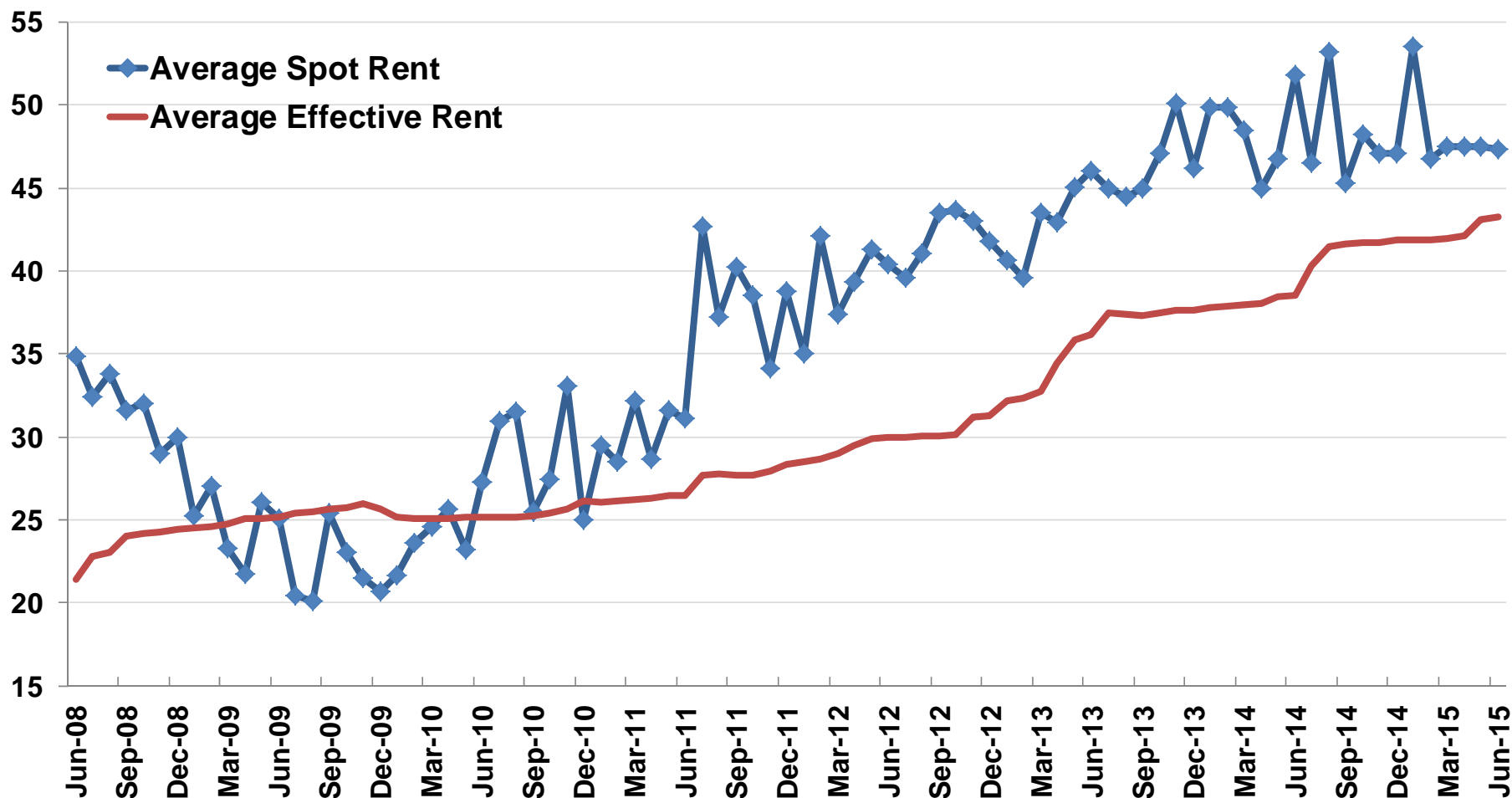


– Average Spot and Average Effective Rent*

灣仔合和中心寫字樓：平均市值租金及平均有效租金

Average Spot & Average Effective Rent (FY09 – FY15)

(HK\$/sq.ft.)



* Average effective rent defined as average passing rent whereby the rent-free period had been smoothed out during the lease term

KITEC, Kowloon Bay - Office

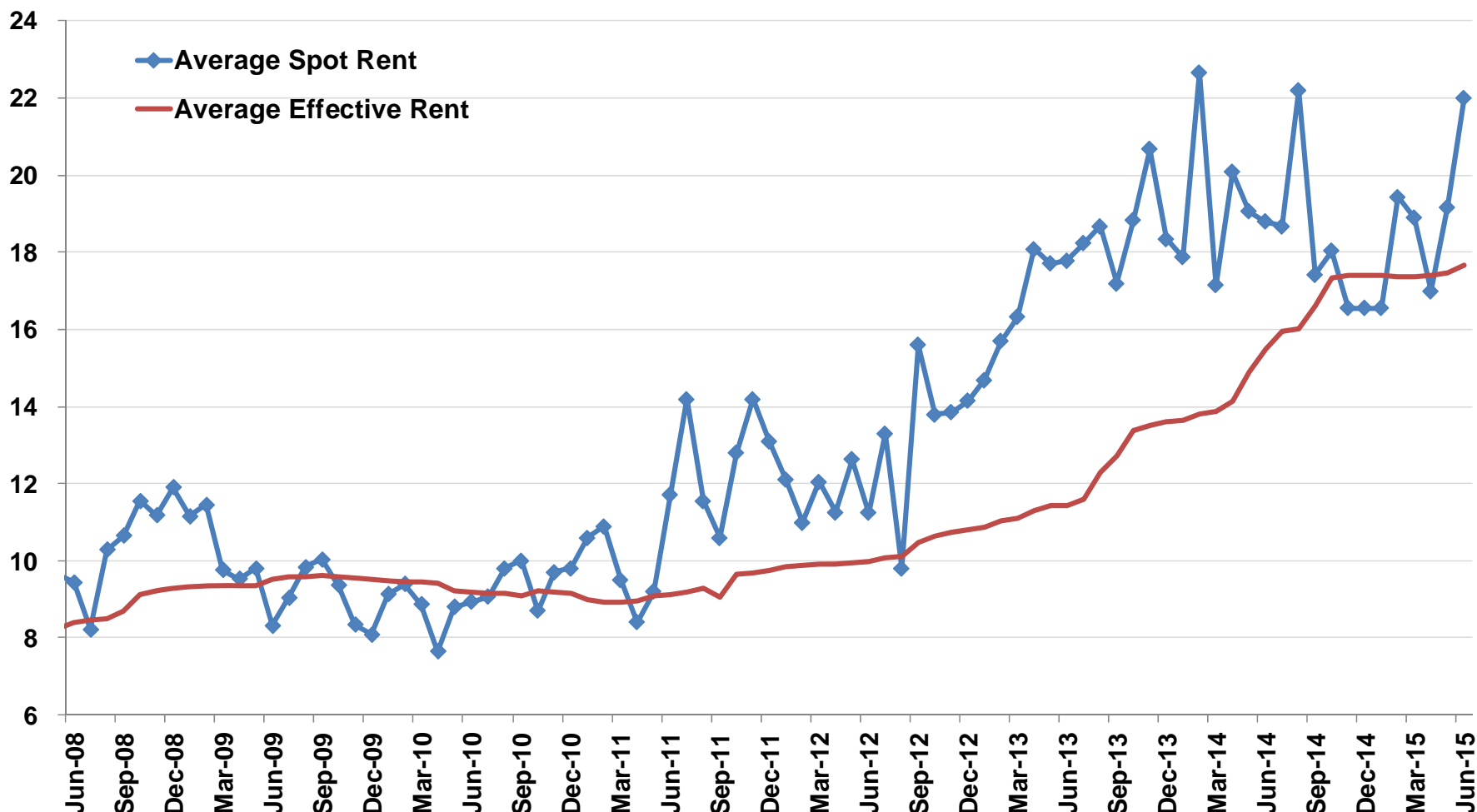


– Average Spot and Average Effective Rent*

九龍灣國際展貿中心寫字樓：平均市值租金及平均有效租金

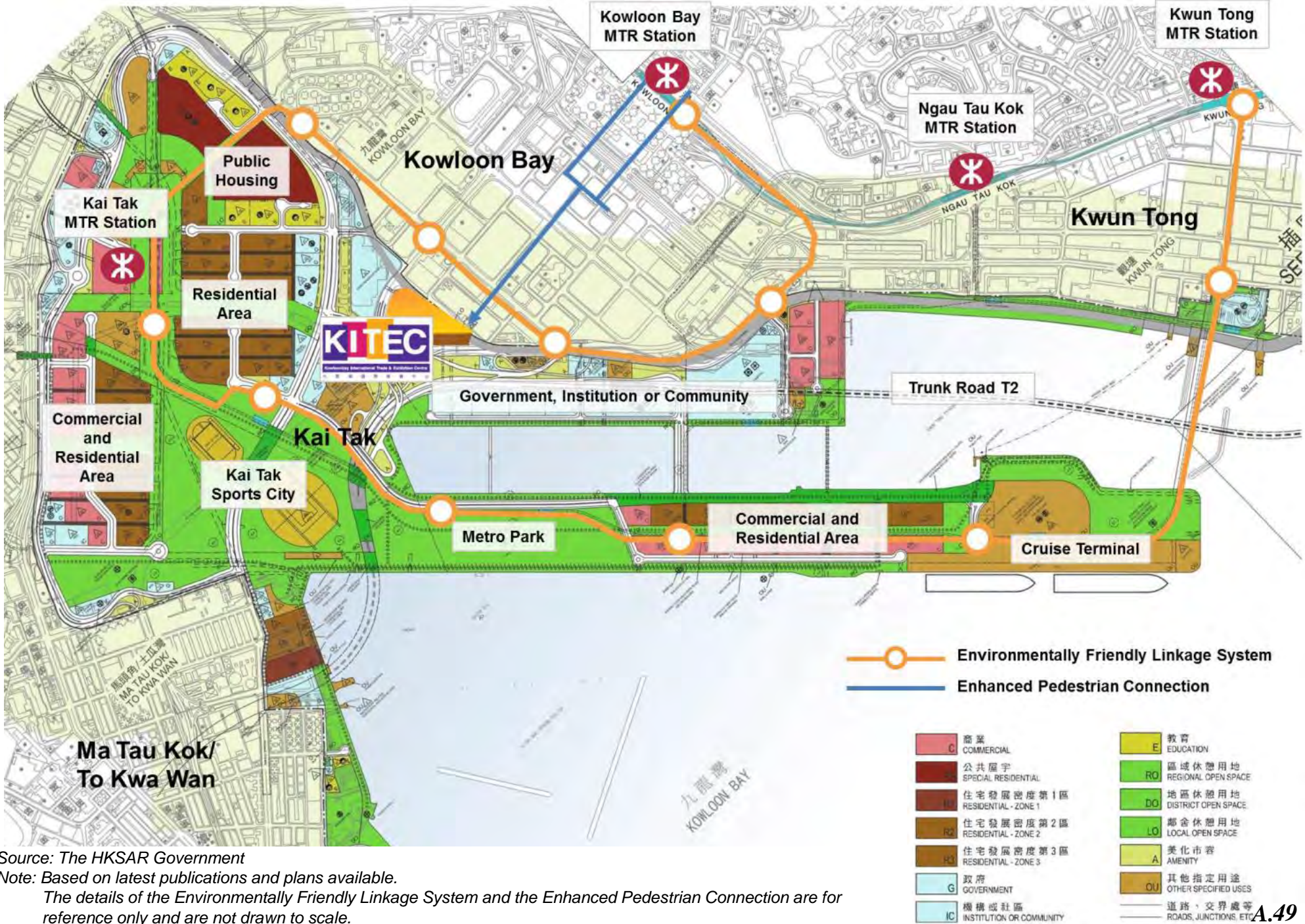
Average Spot & Average Effective Rent (FY09 – FY15)

(HK\$/sq.ft.)



* Average effective rent defined as average passing rent whereby the rent-free period had been smoothed out during the lease term

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.

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



Hopewell Centre II Perspective*

Updates 最新概況

- **Currently planned total investment (including land premium) around HK\$9b - HK\$10b***
現計劃投資總額 (計及補地價) 約為港幣90億至100億元
 - ◆ **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

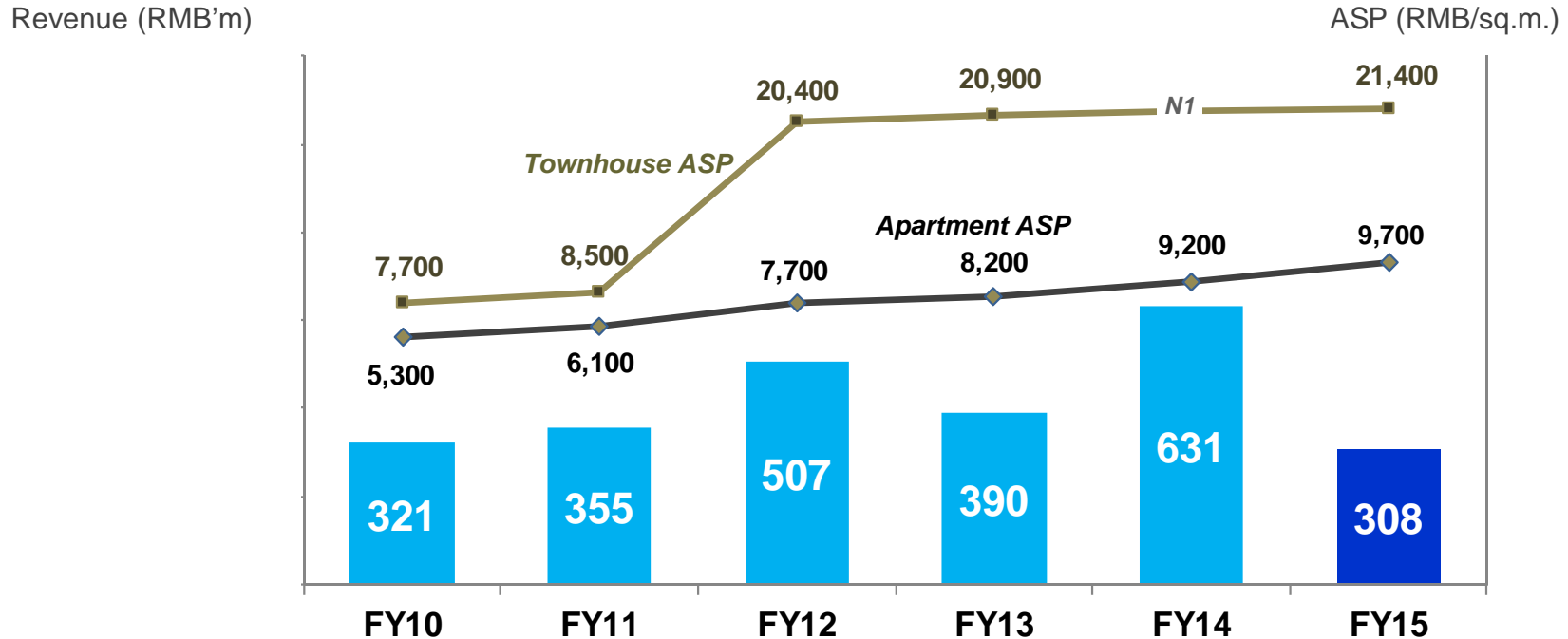
* Present planning, subject to change

Hopewell New Town, Huadu, Guangzhou

– Historical Revenue and Average Selling Price

廣州花都合和新城：歷年收入與平均銷售價格

Revenue and Average Selling Price (“ASP”) Booked



GFA booked (sq.m.)

Apartment	41,000	56,000	24,500	41,000	67,600	29,600
Townhouse	13,000	1,000	13,800	1,700	-	900

Units booked

Apartment	366	574	306	333	695	252
Townhouse	43	4	48	6	-	3

N1: No sales of townhouse booked in FY14

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

**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



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

Updates 最新概況

- **Will be leased to HHL's subsidiary after completion of premises**
大廈落成後，將租賃予合和實業旗下附屬公司
 - ◆ **An operating lease arrangement**
營業租約的安排
- **Responsible for fitting out and equipping**
負責裝修及設備

Heyuan Power Plant, Guangdong

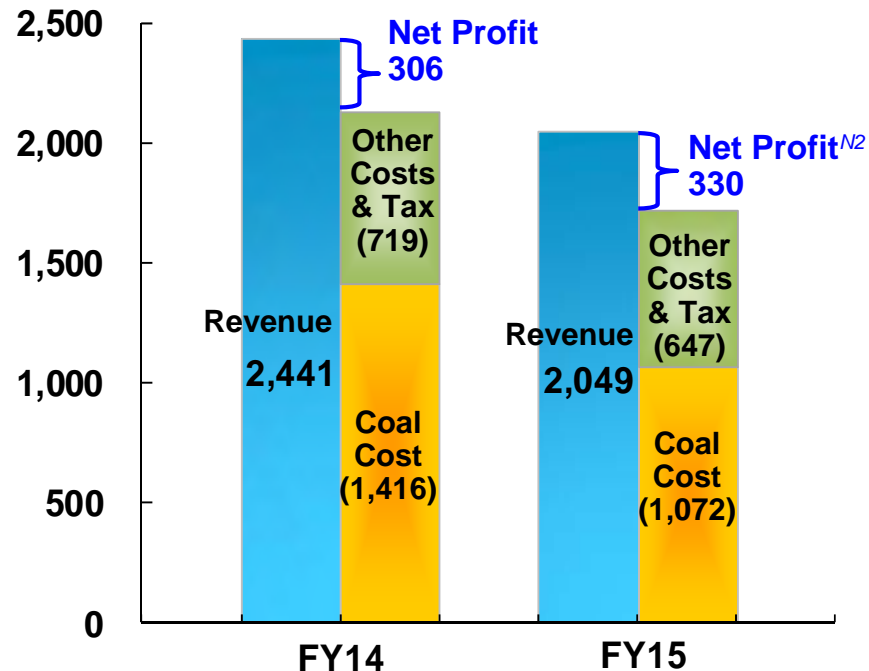
廣東省河源電廠

JV Results (HHL's Share^{N1})

(RMB'M)	FY14	FY15	yoy
Revenue	976	820	-16%
Net Profit	122	132	+8%

P&L Highlight - JV Level 100%

(RMB in million)



Updates

■ Net profit ↑8% as ↓coal cost and insurance compensation offset

淨溢利上升8%，由於煤炭價格下跌及保險賠償，抵銷了

- i) ↓ Utilisation rate (↓ Usage of fossil fuel electricity in Guangdong due to ↑ alternative electricity supply, e.g. transmission from Western to Eastern regions, nuclear power and hydropower; unplanned major overhaul)

使用率下跌 (因西電東送，核電廠和水力發電等的替代電力供應上升，令廣東省的火電使用減少，以及計劃外的大檢修)

- ii) On-grid tariff ↓7.9% in FY15

上網電價在2015財政年度共下調7.9%

■ HHL's shareholder's loan to JV, outstanding RMB240m (as of 30.6.2015)

合和實業提供股東貸款予合營企業，截至2015年6月30日，未償還貸款為人民幣2.4億元

■ 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)^{N3}

現正研究興建河源電廠二期 (兩台1,000兆瓦燃煤發電機組)

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

N2: FY15 net profit included RMB43m insurance compensation for unplanned major overhaul

N3: Subject to approval by PRC authorities

Heyuan Power Plant, Guangdong

廣東省河源電廠



Key Operating Statistics 主要營運數據

	FY14	FY15
Gross generation 總發電量	5,900 GWh 59億千瓦時	5,100 GWh 51億千瓦時
Utilisation rate^{N1} 使用率 (Utilisation hours) (使用小時)	56% (4,894 hours)	49% (4,283 hours)
Availability factor^{N2} 可利用率	86%	80%
Average on-grid tariff (with desulphurization, denitrification and dust removal)^{N3} (excl. VAT) 平均上網電價 (包括脫硫、脫硝及除塵；但不包括增值稅)	RMB440.9/MWh	RMB424.4/MWh
Approx. coal cost (5,500 kcal/kg) (incl. transport; excl. VAT) 概約煤價 (每公斤5,500大卡) (包括運費；但不包括增值稅)	RMB633/ton	RMB559/ton

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: Unit 1 - With denitrification and dust removal tariff from Jan and May 2014 respectively; Unit 2 - With dust removal tariff from Feb 2014

~ END ~