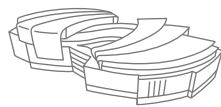
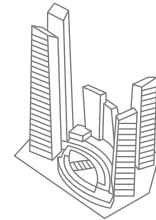


只選好的
只做對的
WE DO IT
RIGHT



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公司簡介

Corporate Profile

恒隆地產有限公司

恒隆地產有限公司（股份代號：00101）是恒隆集團有限公司（股份代號：00010）的地產業務機構。

恒隆地產是一家重視質量的頂級地產發展商，在香港和內地備受尊崇。

我們是一家真正多元化的物業發展公司，旗下物業組合涵蓋不同範疇，包括商舖、辦公樓、住宅、服務式寓所、工業/辦公樓，以及停車場物業等。我們的重點是在具發展潛力的城市購入最佳的地塊，並僱用頂尖建築師行以最高品質的設計，打造出最高質量的物業。

我們不斷檢討在香港和內地的拓展策略，並在有需要時優化租戶組合，以及定期翻新現有項目，藉此爭取最大的投資回報。我們亦重視各項增值服務和促銷策略，從而加強旗下物業的吸引力和市場優勢。

我們的願景是擴展內地業務，並同時在香港繼續投資。隨著我們未來數年的發展，恒隆地產正努力開創前景，逐步拓展成為最受尊崇並具領導地位的全國性商業地產發展商。

HANG LUNG PROPERTIES LIMITED

Hang Lung Properties Limited (stock code: 00101) is the property arm of Hang Lung Group Limited (stock code: 00010).

We are a top-tier property developer in Hong Kong and on the Mainland with a recognized commitment to quality.

We are a truly diversified property development company with a varied portfolio of commercial, office, residential, serviced apartment, industrial/office and car park properties. Our primary focus is to acquire the best sites in the cities with growth potential and employ only the top architectural firms to achieve the highest design quality and develop the best properties.

In Hong Kong and on the Mainland, our corporate strategy is to constantly review and, where necessary, upgrade our tenant mix while regularly refurbishing our existing developments so as to achieve a maximum return on our investments. We also emphasize value-added services and incentives, which add to the appeal and marketability of our properties.

Our long-term vision is to expand on the Mainland while continuing to invest in our home market of Hong Kong. As our business will certainly continue to grow, we are set to develop into the most admired and leading national commercial property developer.



財務摘要

Financial Highlights

業績

RESULTS

截至十二月三十一日止年度 For the year ended December 31

以港幣百萬元計算 (除另有註明)	in HK\$ Million (unless otherwise stated)	2013	2012
營業額	Turnover		
物業租賃	Property leasing	6,638	6,098
香港	Hong Kong	3,112	3,016
中國內地	Mainland China	3,526	3,082
物業銷售	Property sales	2,500	1,274
營業額總計	Total turnover	9,138	7,372
股東應佔純利	Net profit attributable to shareholders	7,212	8,395
股息	Dividends	3,359	3,313
股東權益	Shareholders' equity	124,534	117,928
每股資料	Per share data		
盈利	Earnings	\$1.61	\$1.88
股息	Dividends		
中期	Interim	\$0.17	\$0.17
末期	Final	\$0.58	\$0.57
總計	Total	\$0.75	\$0.74
股東權益	Shareholders' equity	\$27.8	\$26.3
資產淨值	Net assets	\$29.3	\$27.7
財務比率	Financial ratio		
派息比率	Payout ratio	47%	39%
淨債項股權比率(附註1)	Net debt to equity ratio (Note 1)	0.5%	0%
債項股權比率	Debt to equity ratio	26.7%	24.0%

基本業績

UNDERLYING RESULTS

截至十二月三十一日止年度 For the year ended December 31

以港幣百萬元計算 (除另有註明)	in HK\$ Million (unless otherwise stated)	2013	2012
股東應佔基本純利(附註2)	Underlying net profit attributable to shareholders (Note 2)	5,050	6,178
每股盈利(附註3)	Earnings per share (Note 3)	\$1.13	\$1.38
派息比率(附註3)	Payout ratio (Note 3)	66%	54%

附註：

1. 淨債項指銀行貸款及其他借貸扣除現金及銀行存款。股權則包括股東權益及非控股權益。
2. 為加強對本集團營運業績的理解，呈報股東應佔基本純利時已撇除因採納香港會計準則第40號《投資物業》之影響，該準則規定投資物業及發展中投資物業公平值之變動並扣除相關遞延稅項及非控股權益於損益中入賬。
3. 有關計算乃根據股東應佔基本純利計算。

Notes:

1. Net debt represents bank loans and other borrowings less cash and deposits with banks. Equity comprises shareholders' equity and non-controlling interests.
2. To facilitate better understanding of the Group's operational results, the underlying net profit attributable to shareholders is presented by excluding the effect of adopting Hong Kong Accounting Standard 40, Investment Property which requires changes in fair value of investment properties and investment properties under development, net of related deferred tax and non-controlling interests be accounted for in profit or loss.
3. The relevant calculations are based on the underlying net profit attributable to shareholders.

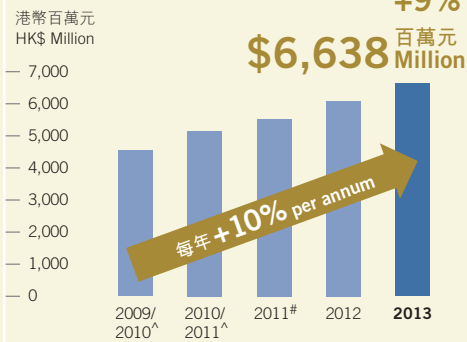


租金收入和溢利持續增長

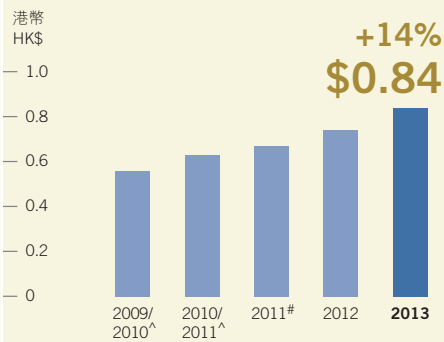
SUSTAINABLE RENTAL TURNOVER AND PROFIT GROWTH

租金收入 Rental Turnover

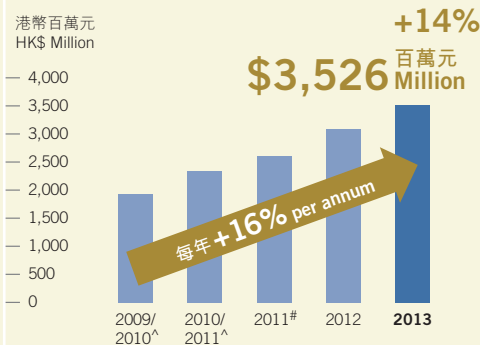
整體 Overall



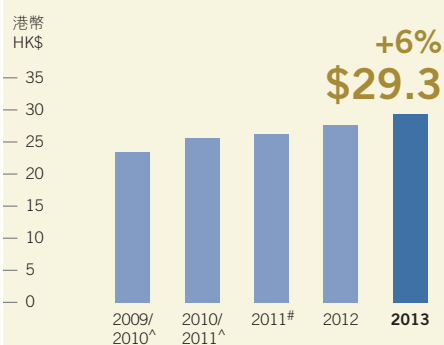
每股租賃基本溢利 Rental Underlying Profit per Share



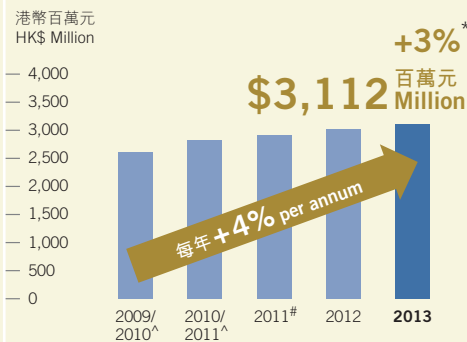
中國內地 Mainland China



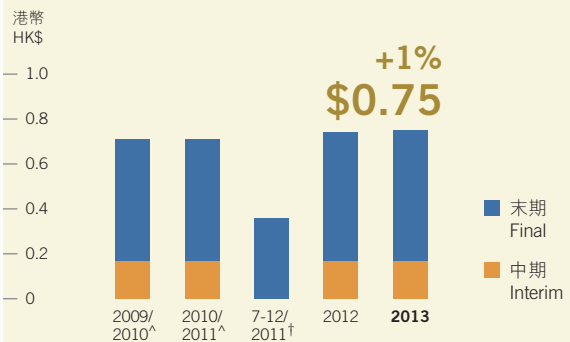
每股資產淨值 Net Assets per Share



香港 Hong Kong



每股股息 Dividends per Share



* 倘不計入已終止的業務，整體和香港增長率分別為12%及10%
Growth % would be 12% for overall and 10% for Hong Kong if excluding the discontinued operations

[^] 截至六月三十日止財政年度
Financial year ended June 30

由於財政年度年結日由六月三十日更改為十二月三十一日，此財政期為由二零一一年一月一日至十二月三十一日止十二個月
The financial period represented 12-month period covering from January 1, 2011 to December 31, 2011 due to the change of financial year end date from June 30 to December 31

[†] 二零一一年七月一日至二零一一年十二月三十一日止六個月財政期之末期股息
Final dividend for the six-month financial period from July 1, 2011 to December 31, 2011



完美寫照

PICTURE PERFECT

自一九九零年代起，我們在中國內地的主要城市打造世界級商業綜合項目。隨著天津的恒隆廣場於二零一四年開幕，我們的內地業務將開創另一新里程碑。

Since the 1990s, we have been branching out into mainland China with world-class commercial complexes in key cities. With the opening of Riverside 66 in Tianjin in 2014, we are poised to celebrate yet another milestone in our development on the Mainland.

恒隆廣場 • 天津

RIVERSIDE 66, TIANJIN





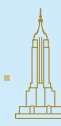


董事長致股東函
Chairman's Letter to Shareholders



陳啟宗
董事長

Ronnie C. Chan
Chairman



業績及股息

與上年度相比，營業額上升百分之二十四，至港幣九十一億三千八百萬元。由於出售的香港非核心投資物業較少，所得收益相對而言並不顯著，因此股東應佔純利減少百分之十四，至港幣七十二億一千二百萬元；每股盈利相應下降百分之十四，至港幣一元六角一仙。

倘扣除重估收益的所有影響，股東應佔基本純利下降百分之十八，至港幣五十億五千萬元；每股基本盈利亦相應下調至港幣一元一角三仙。

董事局建議派發末期股息每股港幣五角八仙。如獲股東批准，截至二零一三年十二月三十一日止年度的股息總額為每股港幣七角五仙，較上年度增加百分之一點四。

業務回顧

整體而言，倘不計入已售出的香港非核心投資物業的影響，租金收入及營業溢利同告上升百分之十二。縱使香港的投資物業組合略為縮減，兩項數字仍見增長百分之九。單從香港本土市場來看，倘按上述同比基準，租金收入及營業溢利分別上升百分之十及百分之十一；否則兩者分別增長百分之三及百分之五。

內地方面，租金收入上升百分之十四，營業溢利則上升百分之十三。單以購物商場計算，租金收入增長百分之十七；倘不計入瀋陽的市府恒隆廣場及無錫的恒隆廣場，租金收入上升百分之五。辦公樓方面，租金收入上升百分之七。將這些數字與十二個月和六個月前的數字相比，增長較一年前慢，但過去六個月開始有所改善。

RESULTS AND DIVIDEND

Compared to the previous year, turnover rose 24% to HK\$9,138 million. Net profit attributable to shareholders decreased by 14% to HK\$7,212 million due solely to much fewer disposals of Hong Kong non-core investment properties and thus a relatively insignificant gain therefrom. Correspondingly, earnings per share retreated 14% to HK\$1.61.

When excluding all effects of revaluation gain, the underlying net profit attributable to shareholders fell 18% to HK\$5,050 million. Underlying earnings per share came down similarly to HK\$1.13.

The Board recommends a final dividend of HK\$0.58 per share. If approved by shareholders, total dividends per share for the year ended December 31, 2013 will be HK\$0.75, an increase of 1.4% over the previous year.

BUSINESS REVIEW

Excluding the effect of alienated Hong Kong investment assets, overall rental turnover and operating profit both rose by 12%. Even with a smaller Hong Kong portfolio, the two numbers still grew by 9% each. Looking at our home market alone, turnover and operating profit respectively advanced by 10% and 11% on a like-for-like basis and by 3% and 5% otherwise.

On the Mainland, rental turnover rose 14% and operating profit 13%. On retail space alone, turnover grew 17%. If we exclude Shenyang Forum 66 and Wuxi Center 66, rent advanced by 5%. The equivalent number for offices was 7%. Comparing these figures to those of twelve and six months earlier reveals a deceleration from a year ago and a pick-up in the immediate past six months.



董事長致股東函

Chairman's Letter to Shareholders

單看上海這成熟市場，恒隆廣場和港匯恒隆廣場兩座購物商場的租金收入，均錄得百分之六的升幅；前者的辦公樓租金收入增加百分之七。以投資成本計算，兩者的無槓桿租金回報率約為百分之四十二。購物商場的租出率為百分之九十九，辦公樓的租出率為百分之九十五。

在我們較新的市場 — 瀋陽和濟南（不計算營運期僅三至四個月的無錫）— 我們觀察到一個有趣的現象：即使我們首次續訂租約時引致重整租戶組合，租出率難免有所下降，但實質零售額較一年前卻有頗佳升幅，而下半年的租戶零售額亦較上半年明顯上升。這非市況改善所致，而是管理層之努力成果。事實上，過去一年市況仍乏善可陳。

我們大部分的租約期為兩至三年。踏入二零一三年，瀋陽的皇城恒隆廣場和濟南的恒隆廣場已分別落成三年及兩年，更換部分租戶難免導致較高的空置率；這是購物商場之業務性質使然，乃其長遠穩健發展所需。因此，兩者的租出率維持於百分之八十八。彼等之租金收入與一年前比較並無改變，但與此同時，其租戶的零售額卻有增長 — 以同比計算，瀋陽的皇城恒隆廣場上升百分之九，濟南的恒隆廣場上升百分之八。倘以下半年與上半年相比，兩個購物商場的升幅分別為百分之二十及百分之七。

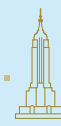
零售額與租金收入同樣重要，因為前者的增長必然會帶動後者的上升，這道理顯淺易明。最近的數據顯示，我們重整租戶組合已開始取得成效；經汰弱換強後，我們引入的新店已提升零售額。我亦很高興看到，我們配置的新管理團隊表現良好。儘管皇城恒隆廣場的租出率的上升速度未如我們所願般快，但大部分空置樓面現已租出，其租出率在未來數月將會回升。

Focusing on the mature market of Shanghai, both shopping centers – Plaza 66 and Grand Gateway 66 – recorded a 6% increase in rent. Offices at Plaza 66 collected 7% more rent. Gross yield on unleveraged investment cost was about 42%. Mall occupancy was 99% and for offices, 95%.

In our newer cities – Shenyang and Jinan (not counting Wuxi which is only three to four months old) – we have observed an interesting phenomenon: namely, as occupancy fell somewhat due to first-time lease renewal and hence tenant remixing, retail sales actually rose nicely from a year ago. The increase from the first half of the year to the second half was also evident. This should be the result of management efforts rather than market improvement. The fact was: the market went nowhere as the year progressed.

Most of our retail leases are for two or three years. By 2013, Shenyang Palace 66 has been open for three years and Jinan Parc 66 two. Some tenant changes were inevitable resulting in higher vacancy levels. This is the nature of the business which is necessary for the long-term health of the malls. Consequently occupancy remained at 88% for both properties. Rent collected was about the same as that received a year ago, but retail sales of our tenants have risen – year-on-year Palace 66 moved up 9% and Parc 66, 8%. Comparing the second half of the year versus the first half, the rate of increase was respectively 20% and 7% for the two malls.

Common sense tells us that retail sales figures are as significant as the rents we received, for growth of the former is a prerequisite and will inevitably lead to that of the latter. Recent numbers indicated that our tenant remixing was bearing fruit. Weaker shops were moved out and stronger ones capable of generating more sales were being introduced. I am also gratified to observe that the new management teams that we have put in place are performing. Although the improvement in occupancy at Palace 66 has not been as fast as we had hoped, much of the vacant space has been leased, so occupancy will rise in the coming months.



另一項較新的物業 — 瀋陽的市府恒隆廣場，現時表現理想。由於其開業僅有一年多，故衡量其進展的較有效的方法是採用日均數，例如其二零一三年的日均租金收入較二零一二年上升百分之四，同期的日均零售額上升百分之十五。然而，當該購物商場於未來一、兩年進入首個續訂租約期後，在皇城恒隆廣場和濟南的恒隆廣場發生之情況勢必重演 — 租出率會暫時下降，但租戶零售額及購物商場的租金收入可望持續上升。

於年結時只開業了三個半月的無錫的恒隆廣場情況理想，其租出率達百分之九十五，並正拾級而上。

租金邊際利潤方面，皇城恒隆廣場維持在百分之二十二至二十三；濟南的恒隆廣場仍約為百分之五十四，與市府恒隆廣場相同；無錫的恒隆廣場則為百分之十六。

The newer Shenyang Forum 66 is for now performing well. Because it only has slightly more than one year of history, a meaningful way to measure progress is by using per diem numbers. For example, average daily rental turnover was 4% higher in 2013 over 2012. Retail sales generated per day were 15% better in the same period. However, as the facility enters its first lease renewal period in the coming year or two, what happened at Palace 66 and Parc 66 will doubtless repeat itself – occupancy will temporarily fall. Hopefully tenant sales will continue to rise and so will our rental turnover.

All “vital signs” for Wuxi Center 66 which was three and a half months old at year end were positive. It is 95% full and the number is rising.

In terms of rental margin, Palace 66 remained at 22-23%; Parc 66 was still at around 54% which was the same number for Forum 66. Center 66 stood at 16%.



瀋陽的皇城恒隆廣場在完成首個租約期後，現正重整租戶組合
Palace 66 in Shenyang is now undergoing tenant mix reshuffle after the completion of the first lease term



董事長致股東函

Chairman's Letter to Shareholders

以投資成本計算初期無槓桿租金回報率，是一個有效的衡量指標。我們從數家機構投資者中聽聞，某些市場參與者承諾回報率約百分之九，但實際上，其以模糊的成本定義所達至的回報率卻僅有百分之一至二，令人愕然。至於本集團，我們經常對股東表示，以百分之四至五為目標，但過去四年，旗下所有新開業的購物商場，除其中一座外，全部表現均遠勝預期。濟南的恒隆廣場的首年回報率達百分之七點九，瀋陽的市府恒隆廣場約為百分之十，而無錫的恒隆廣場按其現況應與濟南的恒隆廣場相約。換句話說，我們一諾而倍於千金。由於市況甚為疲弱，該等物業的回報率尚未見銳升，但這將指日可待。事實上，在未來一或兩年，瀋陽的皇城恒隆廣場很有可能從後趕上，現時其回報率仍處於約百分之五。

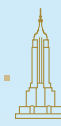
本人現轉談內地物業租賃業務的宏觀市況。十八個月前，本人在致股東函中表示，雖然二零零八/二零零九年的金融危機更為嚴重，但今趟中國奢侈品之低迷銷售情況，可能需要更長時間復甦。本人不幸而言中。現時的疲弱市道除了是因為正常的經濟週期外，部分亦是政府所促成。新政府針對政府官員推出的反腐反奢措施，其影響可謂立竿見影。

雖然該等措施對本集團的業務帶來短期利淡影響，但我們仍鼎力支持。任何行業，例如我們的地產業，均不應依賴社會歪風以奢求致遠，否則社會道德價值淪落，對經濟必有禍殃。我們是長期參與者，希望看到一個健康廉潔的經濟環境。再者，由於我們的財政極為穩健，故在市道放緩下，競爭對手遠較我們受創，歷史亦證明我們善於把握熊市帶來的機遇。

The initial unleveraged gross rental return on investment cost is a meaningful measure. It is intriguing to learn from several institutional investors that certain market players promised around 9% but actually delivered only 1-2% on a rather non-transparent definition of cost. Whereas we always tell shareholders that we aim for 4-5%, all but one newly opened malls of the past four years have significantly outperformed the threshold. Parc 66 yielded 7.9% in its first year, Forum 66 had about 10% and Center 66 at today's run rate should approximate that of Parc 66. In other words, we doubled what we told investors. Due to very weak market conditions, these properties have yet to see brisk improvements in this regard but they surely will. In fact the greatest progress in the coming year or two may well come from the laggard Palace 66, whose number still stands at about 5%.

Now let me turn to a more general review of the market condition for our Mainland rental business. Eighteen months ago, I wrote that although the 2008/2009 financial crisis was much more severe, recovery of the present downturn in Chinese luxury goods sales may in fact take longer. I have unfortunately been proven correct. One reason is that besides normal economic cyclicalities, the market lull today is partly government induced. Anti-corruption and anti-opulence measures instituted by the new government and targeting officials are biting hard.

While these policies have negatively affected our business in the short term, we fully support them. Any sector such as ours should not rely on irregular practices. If it does, the resulting degradation of social moral values will undoubtedly haunt the economy. We are a long-term player and want to see a healthy and clean economy. Moreover, given our extraordinarily strong financial position, the market slowdown probably hurts our competitors more. History also shows that we can better take advantage of bear markets.



如股東所知，每當經濟下滑，我們負責土地購置的項目開發團隊便特別忙碌。當市政府無法售出土地致財政緊絀之際，恒隆便翩然而至！每當全國各地的市領導開始靠攏時，我們便知道機會正向我們招手。數一數有多少位市領導代表出席我們的開工剪綵儀式或商場開幕典禮等公開活動，便知道市道放緩的程度。

在此背景下，我們去年二月在華中最大城市武漢購入一幅黃金地塊。該地塊坐落於市內最繁盛的購物樞紐，面積宏大達八點二六公頃，是迄今為止我們在內地購置的第二大土地，僅次於面積為九點二公頃的瀋陽的市府恒隆廣場地塊。我們將首先興建一座購物商場，繼而興建一座辦公樓及數幢可逐個單位出售的公寓式酒店。整個項目的可建面積為四百九十萬平方呎；如計入停車場則總面積為七百萬平方呎。

我們購地的時機頗堪參詳。二零一二年市況疲弱，發展商缺乏財力添置地塊，結果令很多市政府亦面對財困。就在那時，我們購入了武漢的地塊。到了二零一三年，市況好轉，發展商售出不少住宅單位，故有需要補充土地儲備；而由於市政府財政得到改善，不再急於賣地，地價因而上升，地王湧現。在此等情況下，在我們購置武漢地塊的七個月後，有發展商在附近購置了另一塊面積相若，但無論地點、形狀或獲准用途均遠比我們遜色的地塊，其單位價格卻比我們的高出一倍。這再次說明，我們購置地塊的時機，連同武漢在內，都是絕佳的。

一些投資者最近問及我們的股價，也許彼等一直慣見我們跑贏同儕。的而且確，在二零零零年代大部分時間直至二零一一年初，我們的股價節節上升；由股價飆升主力帶動的總回報率，縱非超越所有亦必勝過大部分地產股。然則，為何我們最近表現暫時回軟？

As our shareholders know, whenever the economy is down, our project development team tasked with land acquisition will be particularly busy. City governments may not be able to sell land and so their coffers are strained. Here comes Hang Lung! We know that opportunities are beckoning as municipal leaders from many corners of the country begin to stalk us. Counting the number of city leaders represented at our public events such as a project groundbreaking or a mall opening is one way to gauge how slow the market is.

With this background in view, last February we bought an excellent plot of land in the biggest city in central China, Wuhan. It is located in the busiest shopping district and is sizable, measuring 8.26 hectares. This is so far the second largest piece of land that we have purchased on the Mainland after the 9.2-hectare Shenyang Forum 66. We shall first construct a mall followed by an office tower and blocks of serviced apartments that can be sold by individual units. Buildable space is 4.9 million square feet; including car parks, it will be 7 million square feet.

Consider our timing. 2012 was a slow time for home builders so they did not have money to buy land. Consequently, many municipal governments were in financial difficulties. That was when we struck the Wuhan deal. As 2013 arrived, the market turned. Developers sold their residential units and so needed to replenish their land bank. The finances of cities improved and so they were less eager to part with land. Prices rose and previous highest records were repeatedly broken. Under these circumstances, seven months after we bought ours, a piece of similar size, close by but much inferior in location, shape and permitted usage, was sold for twice our unit price. This demonstrates again that our timing, like that for our other acquisitions, was excellent.

Some investors have recently asked about our share price. Perhaps they are used to our outperforming our peers. It is true that for much of the 2000s and until early 2011, our stocks have had a powerful run-up. Our total return, mainly buoyed by the share price rise, surpassed most if not all real estate counters. Why then has our price retreated of late?



董事長致股東函

Chairman's Letter to Shareholders

原因包括數點。首先，許多機構投資者對中國轉趨冷淡，特別是零售業，我們旗下購物商場等奢侈品的銷售額尤其深受打擊。這個市場行為其實可以理解，畢竟過去曾存在著一定的非理性憧憬；而最新一輪反腐反奢措施亦有如雪上加霜。

無用諱言，此乃長久以來首次奢侈品銷售增長落後於一般消費。縱使我們旗下多個購物商場，如上海的港匯恒隆廣場、瀋陽的皇城恒隆廣場，以至部分的濟南的恒隆廣場及無錫的恒隆廣場，均非以高檔時尚品牌的追隨者為對象，但我們作為世界級高檔購物商場發展商的名聲已根深柢固，以致投資者也許忘記了我們的其他業務。

市場還存在一個觀念，就是在芸芸香港地產公司中，恒隆是最精純的內地概念股。這個看法有一定的道理，儘管我們仍有百分之四十七的租金收入來自香港，而迄今百分之百的物業銷售收益亦來自本土市場。雖然如此，但當一眾投資者不再鍾情於中國概念時，我們的股價便首當其衝。

該觀念可能源於三項因素。首先，我們也許是首個香港頂級發展商公開表明以內地為未來發展方向；其次，我們是首批在內地市場獲利甚豐的公司之一；第三，我們自二零零一年起甚少在香港購置土地，但在內地數個城市則購入了多幅面積頗大的地塊。

箇中一個普遍的誤解是，恒隆乃首家進入內地市場的公司，故能以便宜價格購入土地並因而獲利甚豐。實情是，許多香港公司早於一九七九年或一九八零年已北上投資，而我們直至一九九一年才開始研究內地市場，至一九九二年十二月才首次購置土地。由於我們當年只屬初試牛刀，因此那兩幅上海地塊其實是於經濟高峰期購入，需時將近十年價格才重返我們的入市水平。縱使當年地價高昂，但我們仍然獲利甚豐！

There are several reasons. First, China has fallen out of favor for many institutional investors. In particular, retail sales, especially luxury products like those in our malls, were even harder hit. The market behavior is understandable, for after all, there was previously a certain amount of irrational exuberance. The latest round of the anti-corruption and anti-opulence drive had added frost.

There is no denying that for the first time in a long while, the sales of luxury goods lag behind general consumption. Although many of our malls such as Shanghai Grand Gateway 66, Shenyang Palace 66, and parts of Jinan Parc 66 and Wuxi Center 66, are not tailored to high fashion brand seekers, our reputation for being developers of world-class luxury malls has been so ingrained that investors might have forgotten our other businesses.

Then there is a market perception that of all the Hong Kong real estate counters, Hang Lung is the purest Mainland play. There is a certain truth to that, although some 47% of all rents received and so far 100% of property sales proceeds are still derived from our home market. But that does not matter – when China fell out of favor, our share price suffered.

The perception existed probably because of three factors. First, we were perhaps the first among top-tier Hong Kong developers to publicly state that our future is on the Mainland. Secondly, we were among the earliest to have made sizable amounts of profits from the Mainland market. Thirdly, we have hardly bought any land in Hong Kong since 2001 while we have acquired several rather large pieces in several cities on the Mainland.

A common misconception here is that Hang Lung was the first to enter the Mainland market and so bought land cheap, thus the good profit. The fact was that many Hong Kong companies invested north of the border well before we did – as early as 1979 or 1980 – while we only started to research the market in 1991 and made our first land acquisition in December 1992. Because we were a novice in those days, the two Shanghai plots were in fact bought at the peak of the cycle. It took some ten years for prices to return to our purchase level. We have succeeded in spite of a high land price!



武漢的恒隆廣場將會建有購物商場、辦公樓和公寓式酒店
Heartland 66, Wuhan will have a shopping mall, an office tower and serviced apartments



董事長致股東函

Chairman's Letter to Shareholders

除外在市場因素外，股價受壓亦關乎我們業務營運上的問題。首先是瀋陽的皇城恒隆廣場面對的困難，其在施工時已挑戰重重，而於二零一零年底開業後，更多挑戰接踵而來。本人曾以長篇論述，在此不贅言，只消說此乃我們在上海以外的首個內地項目，故股東有理由懷疑我們能否在其他地方重演上海的成功故事。現時市道持續放緩，更增加投資者對本公司業務的疑慮。

從管理層的角度來看，我們不怎麼憂心本公司的股價；我們的職責是管理好公司而非股價。我們知道本公司的業務模式卓越，並作出了多項正確的決策（如土地購置及建築設計等），很快便會見到成果。營運挑戰或需時解決，但不會長期存在，彼等都只是初期問題。

話說回來，我們深諳部分股東（尤其那些短線投資者）感到沮喪。這也許可解釋為何一些股東不時問我們有否計劃回購本公司的股份。我的標準答案是：當有一天你看到恒隆地產回購本身股份，你應在同日沽售。我們現正面對二十一世紀以來其中一個最宏大及絕佳的經濟機遇——中國的崛起及其持續不斷的城鎮化和消費增長勢頭。在這有利環境下，本公司已手執致勝之道（即發展、持有和管理世界級商業綜合物業）；而由於市場參與者大多缺乏專業知識，因此我們面對的競爭不太激烈。在中國內地，人口逾五百萬的城市有八十五個，人口介乎三至五百萬的城市有九十一個，市場發展空間無限。

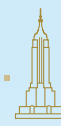
同時，經過多年努力，恒隆以成功的項目和扎實的管理團隊為後盾，建立了一個卓越非凡的聲譽。加上我們擁有非常強勁的財政實力，因而處於罕能比擬的優越地位，足可把握這些巨大的發展機遇。

Besides external market factors, there are also issues relating to our operations. First and foremost were the difficulties encountered at Shenyang Palace 66. Challenges abounded during construction and there were more to come after the opening in late 2010. I have written extensively about them and so will not repeat them here. Suffice to say that with that facility being the first outside of Shanghai on the Mainland, shareholders rightfully question if our huge success in Shanghai can be duplicated elsewhere. The sustained market slowdown presently experienced also cast a negative light on our business.

From the perspective of management, we are not that worried about our share price. We are here to manage the Company and not the price of its scripts. We know that our business model is excellent and we have taken many correct decisions (such as land acquisitions and building designs) which will sooner or later bear fruit. Operational challenges which take time to improve are not perennial. They are nothing more than teething problems.

That said, we are well aware of the frustration that some shareholders, especially those with a short-term horizon, may feel. Perhaps that was why from time to time shareholders would ask if we plan to buy back our own shares. My standard answer is: the day you see Hang Lung Properties buy back its own shares is the day when you should sell. We are facing one of mankind's biggest and best economic opportunities of the 21st century – the rise of China with seemingly unending urbanization and consumption growth. In such a favorable environment, we have found a niche (i.e. developing, owning and managing world-class commercial complexes) which is not fiercely competitive due to the lack of expertise on the part of market practitioners. With 85 cities having a population of five million or more and another 91 with three to five million, the market seems unlimited.

At the same time, Hang Lung has through hard work over long years built a top-notch reputation backed by successful developments and a solid management team. Together with our uncannily strong financial position, it seems that few people are as well positioned as we are to take advantage of these humongous opportunities.



當我們實力雄厚，但仍遠遠未能滿足市場需求時，我們便應擴大資本，皆因公司規模乃非常重要。既然如此，我們又何需回購本身股份致令資本縮少？！這等於向投資界表明：我們不懂得如何妥善調配資金。

然而，我們認為，由母公司恒隆集團購買恒隆地產的股份，卻是完全合理及審慎之舉。我們一直以來如此做，並已開誠佈公。

事實上，要證明恒隆地產近期股價相宜並非難事，只需略看其資產表內，包括香港和內地的銷售物業及租賃物業的主要資產類別，便略知一二。

首先，香港可供出售的已落成單位乃根據會計規則以成本入賬，其賬面值約為港幣五十七億元。以今天稍為疲弱的市道來計算，其價值可能仍達港幣二百億元。

其次，當我們於二零一二年把賬面值約港幣五十三億元的香港非核心投資物業出售時，彼等之作價較賬面值平均高出百分之七十四。由於我們是每六個月為該等物業重新估值，因此有關賬面值之列賬時間不會超過半年。這說明該等物業擁有很大的潛在價值。

再看看我們在內地的投資物業。在上海的兩項成熟項目，由獨立專業估值師採用的資本化率，介乎百分之七點五至八點二。約兩年前，另一家項目盈利遠遜於我們的購物商場發展商（根據公開資料顯示），以約百分之四點五的資本化率公開上市。我們相信彼等項目的增長前景不及我們。

正如上文所述，我們在上海以外購置的所有土地均已大幅升值。行內皆知，在芸芸地產商中，我們的地塊位置最好而且成本最低。我們一向較善於掌握時機；以百分比計算，土地成本佔我們的項目總成本低於兩成，而行內的基準約為四至五成。因此，很明顯我們的資產價值實應較賬面值為高。

When unsatisfied market demand far exceeds our financial capabilities, we should expand our balance sheet, for size matters. Given that, why should we buy back our own shares which has the effect of shrinking the balance sheet!? That would be a clear signal to the investment community that we do not know how to beneficially deploy our cash.

Nevertheless, in our opinion it is altogether reasonable, indeed prudent, for our parent company Hang Lung Group to buy Hang Lung Properties' scripts. Public information indicates that such has been ongoing.

Indeed it is not a difficult case to make that the shares of Hang Lung Properties are today inexpensive. One only needs to take a cursory look at the main asset classes in our balance sheet – properties for sale and for lease in Hong Kong and on the Mainland.

First, our completed Hong Kong apartments for sale are recorded at cost according to accounting rules. On the books the value is around HK\$5.7 billion. At today's somewhat weak market sentiment, they should still be worth perhaps HK\$20 billion.

Secondly, when we sold approximately HK\$5.3 billion of Hong Kong non-core investment properties in 2012, prices fetched were on average 74% higher than book. And since we revalue those properties every six months, the value indicated on the account cannot be significantly more than half a year old. This indicates that there is much hidden value.

Then consider our investment properties on the Mainland. For the two mature developments in Shanghai, the cap rate chosen by a third party expert valuer is between 7.5% and 8.2%. About two years ago, another mall developer/owner with much less profitable projects (according to public records) went public with a cap rate of around 4.5%. We believe that their growth prospects are inferior to ours.

As illustrated earlier, all the land that we have bought outside of Shanghai has appreciated substantially. It is common knowledge in the industry that our sites, while being best located, cost the least among our peers. Our timing is consistently among the best. As a percentage of total project cost, the land element for us is below 20% while the norm for the industry is likely 40-50%. As such, it seems obvious that our assets are worth much more than what is on the book.



董事長致股東函

Chairman's Letter to Shareholders

最後，我們尚有多達八百萬平方呎的豪宅物業可供逐個單位出售。這些物業分佈於瀋陽、無錫、昆明和武漢，當落成並售出後，其銷售所得的稅後純利輕易超過港幣一百億元。其現時的賬面值為何？只以土地成本列賬。這些都是公開資料，卻鮮有分析員能指出。

儘管股市長期而言頗能反映股價，但短期而言它可造成股價錯配。我們最清楚本公司的核心價值和潛力，而由於我們可長期持有股份，我們的表現定必勝過絕大部分短期炒家。倘母公司恒隆集團繼續購買本公司的股票，本人難以想到有任何不利於雙方股東的情況會發生。

策略性計劃

多年來，管理層一直留意電子商務的發展。我們邀請了內地專家向董事局（包括非執行董事）作出講解並為行政人員提供指導。初步結論如下：

毫無疑問，包括「企業對消費者」(B2C) 及「消費者對消費者」(C2C) 在內的電子商務零售，將在個人消費中佔愈來愈大的比重。二零零九年至二零一二年間，其每年增長率約為百分之七十，並料以每年百分之三十二的比率繼續增長至二零一五年。在二零零八年至二零一二年間，中國的非網路零售額增加一點八倍；同期，儘管其起步基數甚低，網路零售額飆升十九倍。到二零一五年，網路零售額料將佔消費品零售總額的百分之十以上，在實體商舖內進行的交易將無可避免受到影響。

Finally, we have as much as eight million square feet of luxury residential condominiums that can be sold unit by unit. They are located in Shenyang, Wuxi, Kunming and Wuhan. Once built and sold, it is conceivable that the net after-tax profit therefrom can easily exceed HK\$10 billion. What are they valued on our books today? Only at land cost. These are all public information, yet hardly any analyst has pointed them out.

While the stock market in the long term is rather efficient, it can misprice in the short term. We know best the underlying value of the Company as well as its potential. Since our time horizon is very long, we will always outperform almost all short-term stock traders. If our parent Company Hang Lung Group continues to buy our scripts, I can hardly think of a scenario which is not advantageous to both their shareholders and ours.

STRATEGIC INITIATIVES

For several years now management has been following developments in e-commerce. We have invited Chinese experts to address our Board, (including Non-Executive Directors) and to educate our executives. Our tentative conclusion is as follows:

There is no question that retail e-commerce – B2C+C2C – will take an increasingly larger share of the private consumption pie. Between 2009 and 2012, it grew at approximately 70% annually and is projected to rise by 32% per year up to 2015. Between 2008 and 2012, China's non-online retail expanded 1.8 times in volume while retail online leapt 19 times, albeit from a very low base. By 2015, online retail volume is expected to account for over 10% of all consumer retail sales. Transactions at physical shops will inevitably be affected.



電子商務正迅速成為一種生活模式，情況就如一百年前出現的電話，或約十年前出現的智能手機一樣。由於人們仍然需要實地交往，因此這些早年的革新發明並沒有取代汽車或飛機；同一道理，網上購物也不會取代購物商場。畢竟人是群居動物，不僅需要耳聞目見，也需要感受和接觸事物，及與別人交往。就本人而言，不同意這個看法的人，應該是外星人！

某些類型的產品交易較易被網上購物取代，首當其衝的是標準化和商品類產品，電子用品和廉價衣履是最佳例子。另一方面，快速消費品，如鮮果、度身訂製、具「長尾效應」或高感性產品，如高檔時裝，以及提供體驗為本的商店，如餐廳等，所受到的影響會較小，甚至毫無影響。由於我們一直專注於高檔購物商場，所受到的衝擊會較小。

這從中國電子商務的一個現象可見一斑：城市的發展程度愈低，其受電子商務的影響愈大。因此，中國的一線城市對電子商務的倚賴程度不及二線城市，如此類推。原因很簡單，發展較落後城市的銷售渠道不足，例如缺乏百貨公司和購物商場等，市民在缺乏選擇下唯有依賴網上購物。而在北京和上海等大城市，儘管市民的平均教育程度較高因而較多人上網，但由於市內店舖林立，故他們對網上購物的需求較少。這可解釋為何在香港等網民普及的地方，網上購物不算十分普及。

同一現象亦顯示，電子商務的發展空間總會有個上限，儘管該上限離我們仍然頗遠。每個社區對某類商品的網上交易需求，佔該商品的總銷售額的百分比，總會有一個平衡點。

E-commerce is fast becoming a way of life, not unlike telephones a century ago and smartphones almost a decade ago. Just as these earlier transformative inventions did not replace automobiles or airplanes because people still have the need to physically interact, neither will online shopping displace malls. After all, humans are social beings who have the need not only to see and hear but also to feel, touch, smell and otherwise physically meet with their fellowmen. As far as I am concerned, anyone who thinks otherwise is from another planet!

Certain types of goods are more vulnerable to online shopping than others. Standardized and commodity-like products will be the first to be affected. Electronic appliances and lower price-point clothes and shoes are prime examples. On the other hand, fast consumables like fresh fruits, customized long tail or high-touch products like high fashion, and experience-based shops like restaurants are less affected or are not affected at all. In this regard, our long-standing focus on high-end malls has made us less exposed.

One phenomenon of Chinese e-commerce supports this assertion: namely, the less developed a city is, the more it is affected by it. So first tier Chinese cities are less dependent on it than second tier cities, and so on. The reason is simple. In less developed places with poor distribution channels such as the lack of department stores and shopping centers, citizens have little choice but to resort to the Internet for shopping. In metropolises like Beijing and Shanghai where physical stores abound, there is less need for it, even though their citizens are on average better educated and so in general more active online. This explains why e-shopping is less prevalent in places like Hong Kong even though it has a citizenry of high Internet dependence.

The same phenomenon seems to indicate that there is an upper limit to retail e-commerce although that point is still quite far away. Every community will sooner or later find its steady-state level for a particular category of products in terms of the percentage of total sales that will take place through the Internet.



董事長致股東函

Chairman's Letter to Shareholders



自二零零零年代初起，上海的港匯恒隆廣場一直是集團的中流砥柱之一
Grand Gateway 66 in Shanghai has been part of the Group's foothold since the early 2000s



隨著網上購物增加，一些品牌將毋須大量開設分店，這是一個必然的結果。舉例說，他們可能在中國策略性地選擇三十個地點開店，而非在過百個地點。無論如何，實體商店是必不可缺的。早前美國有線電視新聞網向一位駐上海的電子商務專家提問：「如西方品牌有意進軍中國網路零售市場，第一步該怎樣做？」這位專家的答案是：先找一個最佳的地點開店！

迄今，我們只在中國的八個城市（不包括香港）有十個購物商場，其中六個已投入營運，四個正在興建。由於彼等全部坐落於頂級商業城市的最佳地段，即使租戶的數目減少，我們仍有能力吸引他們進駐，此乃無人能及。因此，電子商務零售對我們不會帶來太大負面影響。相反，正如我在上文所述，隨著品牌在一個城市減少商舖，全市的銷售額將會集中於更少商店，我們置身其中定可受惠。

部分人擔心，電子商務將令市內尚餘的商舖變成只是用以展示品牌的地方，實質的交易少之又少。就此而言，蘋果專賣店提供了一個與眾不同的例子。這家科技公司的店舖裝修時尚，簇擁著年青員工，但公司並不期望在商店內有龐大的銷售額。該商店除發揮宣傳效益，亦讓客戶體驗和認識產品。隨之而來的大部分銷售交易有可能在網上完成，原因是蘋果基本上出售標準化產品。如上文所述，具「長尾效應」或高感性產品所受到的影響遠遠較小。

就此，恒隆幸好從一開始便堅持向租戶收取穩健的基本租金，這與許多競爭對手的做法迥然有別。當然，能否商議出一個穩健的保證租金，取決於業主與租戶之間的相對議價能力。我們的一貫做法是安位自處，令我們屬意的租戶同樣需要我們。我們能臻此境，乃靠堅持旗下所有購物商場的四大競爭優勢，即黃金地段、合適規模、卓越設計和優質施工，均是本人於過往函件中論及的。

A corollary to increased online shopping is that some brands will no longer need to open as many stores as they otherwise would. For example, they may only have 30 strategically chosen locations around China rather than say 100 or more. To be sure, physical stores are almost always required. In answer to the question on CNN: "What should be the first step for a Western brand desiring to enter the Chinese online retail space?" a Shanghai-based e-commerce expert advised the brand to look for the best located bricks and mortar!

So far we only have 10 malls – six operating and four being built – in eight Chinese cities not counting Hong Kong. Since they invariably have occupied the best locations in top commercial cities, our ability to attract the reduced number of tenants is perhaps unmatched. Consequently, retail e-commerce should not negatively impact us that much. On the contrary, as I have previously explained, the reduction of the number of stores for a particular brand in any city will only lead to city-wide sales being concentrated in fewer shops. Our being one of them will actually be a benefit.

Some have expressed concern that e-commerce will reduce the remaining shops to nothing more than an advertisement space where few sales actually take place. A curious case in this regard is the Apple stores. The technology company does not expect their chic-looking shops teeming with young staff to generate much sales. They are there for customer experience and product familiarization, besides advertising value. Much of the resulting sales may well take place through the Internet. The reason is that Apple basically sells standardized products. As mentioned earlier, long tail or high-touch goods are much less affected.

In this regard, it is fortuitous that Hang Lung has from the beginning insisted on charging all tenants a healthy base rent. This is quite unlike many of our competitors. The ability to negotiate a solid guaranteed rent depends of course on the bargaining power of the landlord relative to that of the tenant. It has always been our practice to put ourselves in a position where the desirable tenants need us as much as we need them. We accomplish this by insisting on the four competitive advantages mentioned in my previous reports for all of our malls, namely top location, adequate size, superior design and quality construction.



董事長致股東函

Chairman's Letter to Shareholders

讓本人談談租戶的租用成本。就上述蘋果專賣店的極端例子而言，該成本可謂極高；但以其商舖之效用而論，此模式的可持續性甚高。

某些分析員對此頗為武斷，認定倘租用成本太高，業主的加租能力必然有限。一般而言這是對的，但很難界定何謂最佳水平。應當注意，不同城市之間的成本可迥然有別，例如同一品牌在香港的租用成本便普遍較其在內地者顯著為高。即使在同一城市，同一品牌的不同店舖，其租用成本的可接受水平亦必然互有參差，此乃由於多項因素的影響，包括：購物商場的聲譽、目前和潛在的銷售額、店舖的宣傳效益、租客和業主的關係等。因此，我們切勿以偏概全。以理論理，租用成本在我們這種較佳的購物商場應當較高。

無可否認，互聯網已徹底改變我們的生活。對購物商場業務而言，互聯網帶來的影響，並非單單在於網上購物奪去我們部分業務，更在於它可以幫助我們創造銷售。它確實是一個影響深遠的推動者，影響人與人——包括我們的顧客在內——以及人與周遭世界的關係，並帶來了跨越時空的效應。它徹底改變了我們的生活種種，並將徹底改變我們的購物體驗。

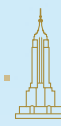
基於這個原因，我們最近制定了一個名為EST的內部計劃，意思是體驗（Experience）、服務（Service）和科技（Technology）。從管理層的角度來看，先後次序應是倒轉的：我們先從科技尤其是互聯網技術入手，讓我們可提供前所未有的服務，最終令顧客在我們的購物商場享受愉快的購物體驗。這些都是我們業務上的軟件。

This leads me to comment briefly on the occupancy cost for tenants. In the extreme case of the Apple stores mentioned above, it can be extraordinarily high. Given the purpose of their stores, the model is more than sustainable.

Some analysts are dogmatic about this, saying that if the cost is too high, the landlord's ability to raise rent is limited. Generally speaking this is correct. However, it is hard to determine what the optimal level is. Notice that the general level in one city can differ substantially from that of another. For example, occupancy cost in Hong Kong for the same brand is in general considerably higher than that on the Mainland. Even in the same city, multiple stores of the same brand will inevitably have different acceptable levels. This is because many factors are at play – the prestige of the mall, current and prospective sales volume, advertising value of the shop, relationship between the lessor and the lessee, etc. As such, one should be careful not to generalize too much. Conceptually speaking, occupancy cost should be higher in better malls like ours.

There is no denying that the Internet has revolutionized our lives. For the shopping center business, its significance is much more than just taking some business away through online shopping. It can also help us generate sales. It is an enabler whose effects are indeed profound. By influencing how a person – any customer of ours – relates to another person and to the world around him or her, it can have the effect of warping time and space. It has revolutionized much of our lives and will yet revolutionize our shopping experience.

This is why we recently instituted an in-house program that we call EST. It stands for Experience, Service and Technology. From management's perspective, the order is the reverse. We begin with technology, especially Internet technology, which enables us to provide services heretofore not possible. As a result, shopping at our facilities becomes a pleasant experience. All these are the software of our business.



然而，就我們的業務而言，無論軟件有多好，除非硬件理想，否則亦是徒然。畢竟，前者可以隨時安裝、修改或提升，但後者一旦建成便永不能改變；此乃為何本人稱之為「地產業基因」。我們切勿愚昧地誤以為硬件不甚重要，此乃本末倒置！

很多人跟我們一樣，認為恒隆在業內擁有數一數二的硬件。現在，我要求我的團隊必須在軟件方面亦名列前茅，否則我們已建立的市場領導地位將會動搖。反過來說，倘恒隆引入科技，推動優質服務，從而為顧客帶來非凡的體驗，我們在業內的地位將穩如泰山。管理層已就此擬定多項計劃，並將其逐步引入至旗下購物商場。部分計劃只可意會，其他則較易察覺，所有計劃應能提升顧客體驗，從而增加盈利。

前景

連同我們在武漢最新購置的地塊，倘不計入兩個上海項目在內，我們在內地將坐擁合共近四千二百萬平方呎的世界級商業物業。其中略多於一千萬平方呎的物業已經落成，其餘則處於不同的施工階段。該八個項目位於七個城市，當中兩個項目位於瀋陽。計入合理的財務費用後，總成本約為港幣九百二十億元，其中近一半已經支付，未付部分主要為施工費。

過去四年，我們每年完成一個相等於紐約帝國大廈的項目。按此速度計算，正在施工的三千二百萬平方呎物業，全部竣工需時十二至十三年。這是一個非常進取的計劃。

In our business, no software, irrespective of how good it is, will be effective unless the hardware is adequate. After all, the former can always be installed, changed or improved. The latter however, once built, can never be altered. This is why I coin the term “real estate genetics.” Let us not go so far – and be so foolish – as to think that hardware is less important. To the contrary!

We are of the opinion, and many people will agree with us, that Hang Lung has some of the best hardware in the industry. I have now challenged my team to also be among the top in software. If not, the market leadership that we have built will not be secure. Conversely, by introducing superior services enabled by technology which bring about desirable customer experiences, our position in the industry will be unshakable. Your management has been working on many programs in this regard and will gradually introduce them to our shopping centers. Some will be quite subtle while others may be more easily felt. All of them should have the effect of improving customer experience and, eventually, our bottom line.

PROSPECTS

With the latest land acquisition in Wuhan, we will have a total of almost 42 million square feet of world-class commercial space on the Mainland not counting the two Shanghai complexes. Of that, a little over 10 million square feet have been completed and the rest are under construction at varying stages. The eight developments are in seven cities with two in Shenyang. The total cost including reasonable finance expenses is about HK\$92 billion, almost half of which has been expensed. The unpaid portion comprises mainly construction.

In the past four years, we have completed the equivalent of one New York Empire State Building annually. At this speed, it will take 12-13 years to build out the 32 million square feet still under construction. This will be a very aggressive program.



董事長致股東函

Chairman's Letter to Shareholders

一俟所有項目落成後，不計入未來任何新項目在內，我們將在中國擁有近四千七百萬平方呎的最佳商業物業；加上我們在香港之七百萬平方呎投資物業（假設我們不作增購或出售），我們將擁有一個約五千四百萬平方呎的物業組合，其中八成七將在內地。相比下，內地現佔六成八。至於香港的分額，將由今天的三成二減至屆時的一成三。

今年第三季，天津的恒隆廣場將會開幕，項目包括面積一百六十萬平方呎的大型購物商場及八百個停車位。此乃我們於二零零五年在上海以外購置的首幅土地開發而成的項目，其後購置的四幅土地——包括瀋陽的兩幅及濟南和無錫各一幅——所發展的購物商場均已落成。事實上，瀋陽的皇城恒隆廣場於三年多前經已落成。天津項目之進度如斯緩慢，無論從規模或建築複雜性而言，都無法作出合理解釋。事實上，濟南的恒隆廣場亦有相若的規模和建築複雜性。延遲的原因只有一個：要得到天津市政府多方面的同意，這個過程既複雜且漫長。

由於此項延誤，與當地政府相關的一座大型購物商場已於約十八個月前開業。儘管其位置、設計和施工均遠遠不如我們，但因彼乃現時市內唯一之選，故許多頂級奢侈品牌均已在彼落戶。因此，初期而言，天津的恒隆廣場的定位將與上海的港匯恒隆廣場相近，即以副奢侈品牌為主力的四星級購物商場。然而，我們位處天津市的最佳地點，設計出類拔萃，硬件卓越，有朝一日不難晉身成為五星級購物商場。

迄今，該購物商場已租出約五成樓面，本人預料其租出率至第三季時應超逾九成。一如以往，我們以百分之四至五作為其初期租金回報率之目標。

Once we are all done and not counting any new projects yet to be undertaken, we will own close to 47 million square feet of China's best commercial real estate. Add to that the seven million square feet of Hong Kong investment properties (provided that we do not take up more or sell off any), we will have a portfolio of about 54 million square feet. 87% of it will be on the Mainland as compared to 68% now. Hong Kong's share will be reduced from today's 32% to 13%.

In the third quarter of this year we will open Tianjin Riverside 66, a large freestanding mall of 1.6 million square feet plus 800 car parking spaces. The underlying land was our first acquisition outside of Shanghai back in 2005. Four plots acquired later – two in Shenyang and one each in Jinan and Wuxi – have all had their shopping centers completed. In fact Shenyang Palace 66 was completed over three years ago. Neither size nor construction complexity could be used as an excuse for Tianjin to be so slow. In fact, Jinan Parc 66 is similar on both counts. There could only be one explanation – the complicated and prolonged procedures in seeking various approvals from the municipal government.

Because of the delay, a huge mall associated with the local government opened some 18 months ago. Although its location, design and construction are all seriously inferior to ours, many top luxury brands are now housed there. It is for the time being the only game in town. For this reason, Riverside 66 will initially be akin to Shanghai Grand Gateway 66, i.e. a four-star mall comprising mostly sub-luxury names. However, our location is among the best in the city; the design is very beautiful, and our hardware is excellent. It is conceivable that one day the mall can easily be transformed into a five-star facility.

So far around 50% of the space has been leased, and I expect that by the third quarter, the figure should be over 90%. As always, we are targeting an initial gross yield of 4-5%.



香港方面，我們於市況許可下將繼續出售已落成的住宅物業。從過去三個月所見，市場存在著遏抑的需求，同時亦有許多發展商渴望沽售存貨。雖然我們並不急於出售，但亦樂意於現時價格沽出該等單位。

「藍塘道23-39」豪宅項目已接近完成，此乃全球首個獲得美國綠色建築協會「能源及環境設計先鋒獎 — 住宅」金獎認證的住宅項目。我們打算首先將其出租，但倘價格合適亦會考慮出售。

物業租賃乃我們的核心業務所在。就其市場而論，中國內地可能仍有一段時間處於平滯狀態。雖然如此，本人期望集團今年的內地業績會較好，因為業務營運已有所改善。瀋陽的皇城恒隆廣場的初期問題已得到解決，而濟南的恒隆廣場的情況亦將差不多。我們應當知道，一項物業需要一至兩個租賃週期，才會開始邁向成熟。正如我們過去四年，按步就班，每年為一座購物商場開業一樣，如今它們又一個接一個逐漸成熟。這總是一個教人興奮的轉變，其不久應可帶來更佳的業績。

本土市場方面，本人預期集團的租賃物業將錄得與回顧年度相若的表現。

多年來，本函件獲得股東熱切垂注，本人深感欣慰。各忠實讀者均知，本公司的管理層在過去兩至三年有如脫胎換骨。本人與董事總經理陳南祿合作無間，並深信我們今天擁有一支更佳的團隊以應對新的市場發展。當然，我們還需更加努力。

In Hong Kong, we will continue to sell completed apartments as the market allows. What we have witnessed in the past three months is that there is pent-up demand. At the same time many developers are also eager to unload their inventory. Although not in a hurry to sell, at today's price we shall be happy to part with them.

The luxury development, 23-39 Blue Pool Road, is near completion. It is the first residential project in the world to have received the Gold Level certification under the Leadership in Energy and Environmental Design (LEED) for Homes of the U.S. Green Building Council. We will primarily lease them out, but will also consider selling if the price is right.

As for our bread and butter business of property leasing, the Mainland market may remain slow for some time. For us, however, I anticipate better financial numbers this year due to improved operations. The teething problems at Palace 66 are basically behind us; Parc 66 will soon follow suit. As we all know, it takes one to two leasing cycles for a property to mature. Just as we have had a rolling schedule of opening one mall per year in the past four years, now one by one these malls will enter adolescence. This is always an exciting time of change which should bring improved results.

In our home market, I expect our rental properties to perform not unlike the year just reviewed.

I am gratified that over the years, this letter has received a warm reception from shareholders. As my faithful readers know, this Company has in the past two to three years undergone a tremendous management upgrade. I have been working closely on it with our Managing Director Philip Chen and I firmly believe that today we have a much better team which is prepared to tackle new realities. Yet more needs to be done.

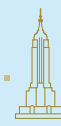


董事長致股東函

Chairman's Letter to Shareholders



我們把握時機於年內售出浪澄灣住宅單位
We catch the right timing to sell the residential units of The Long Beach during the year



試想想，我們現在是一家快速增長的跨地域公司。自二零一零年底至今，我們的投資物業組合已由一千三百萬平方呎增至約二千三百萬平方呎，租金收入由港幣四十八億元增至港幣六十六億元。我們以往只於兩個城市營運，現在已達五個，未來數年內每年還將增加一個。要落實施工及繼而為新增物業做好租賃和管理，我們需要的不單是一支更大而且水平更高的團隊。同時，許多服務多年的高級管理人員年紀漸長，我們確有需要更新管理層。今天部分同事經已退休，我們已聘請亦會繼續增聘更多新血。

南祿和本人從沒有一刻低估此項工作的難度，過程當中確實有痛苦的時刻。雖然如此，我相信最困難的時候經已過去。由於新項目如武漢已經上馬，我們的團隊仍有需要補充生力軍。此等努力應有助我們實現由南祿前任人制定的卓越發展策略的潛力。本人為已取得的成果感到鼓舞，並期待著更佳日子的來臨。市場總會像最近般有波動，但只要我們策略方向正確，管理團隊準備就緒（兩大因素均已置備），我們定可享有燦爛的未來。

董事長

陳啟宗

香港，二零一四年一月二十三日

Consider this: we are now a fast growing multi-location company. Since late 2010, our investment portfolio has grown from 13 million square feet to around 23 million square feet, and total rents received have risen from HK\$4.8 billion to HK\$6.6 billion. We used to be in two cities, now we are in five and will add one per year for the coming few years. To execute the construction and then leasing and management of the added space will require not only an expanded but also an improved team. Coupled with the aging of long-serving senior executives, we have out of necessity gone through a management rejuvenation process. A number have retired, and more have been hired and will be hired.

Philip and I did not for a moment underestimate the difficulties associated with such an exercise. Indeed the process could be painful at times. Nevertheless I believe that the most challenging part should be behind us. There is still the need to add to the squad especially as new projects like Wuhan are brought on board. All these efforts should enable us to realize the potential of the excellent strategy put in place by Philip's predecessor. I am encouraged by what has been done and look forward to seeing better days ahead. There will always be market fluctuations like the lull of late, but as long as our strategic direction is proper and our management team is prepared – and now we have both in place – our future should be bright.

Ronnie C. Chan

Chairman

Hong Kong, January 23, 2014

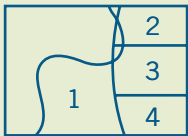


巧奪天工

QUALITY BY DESIGN

我們的物業由出類拔萃的國際頂級建築師行設計。由於我們對最高標準的堅持，所以旗下物業不僅美感盎然，在造型和功能上亦登峰造極。

Our properties are designed by outstanding architects from leading international firms. It is our insistence on the highest standards of design that results in properties which are not only aesthetically pleasing, but are also crowning achievements of form and function.



- 1 恒隆廣場 • 大連
Olympia 66, Dalian
 - 二零一三年度新興市場城市景觀建築大獎「零售項目 — 未來」組別最高殊榮
 - Top honor in 2013 Cityscape Awards for Emerging Markets in the category of Retail Project Awards – Future
- 2 恒隆廣場 • 昆明 (購物商場及辦公樓)
Spring City 66, Kunming (Shopping Mall and Office)
 - 美國綠色建築協會「能源及環境設計先鋒獎 — 核心及外殼組別」金獎預認證
 - Precertification under the Leadership in Energy and Environmental Design (LEED) for Core and Shell Development – Gold Level issued by the U.S. Green Building Council
- 3 恒隆廣場 • 無錫
Center 66, Wuxi
 - 第十五屆中國國際房地產與建築科技展覽會商業建築設計優勝獎(購物中心類)
 - Commercial Building Design Excellence Award (Mall Category) at the 15th China International Real Estate Architectural Technology Fair
- 4 恒隆廣場 • 濟南
Parc 66, Jinan
 - 國際購物中心協會二零一三年度VIVA (視野、創意、價值與成就) 終極大獎「可持續設計及發展組別」的「世界最佳」殊榮
 - 2013 VIVA (Vision, Innovation, Value and Achievement) Best-of-the-Best Award for Sustainable Design and Development bestowed by the International Council of Shopping Centers





管理層之討論及分析

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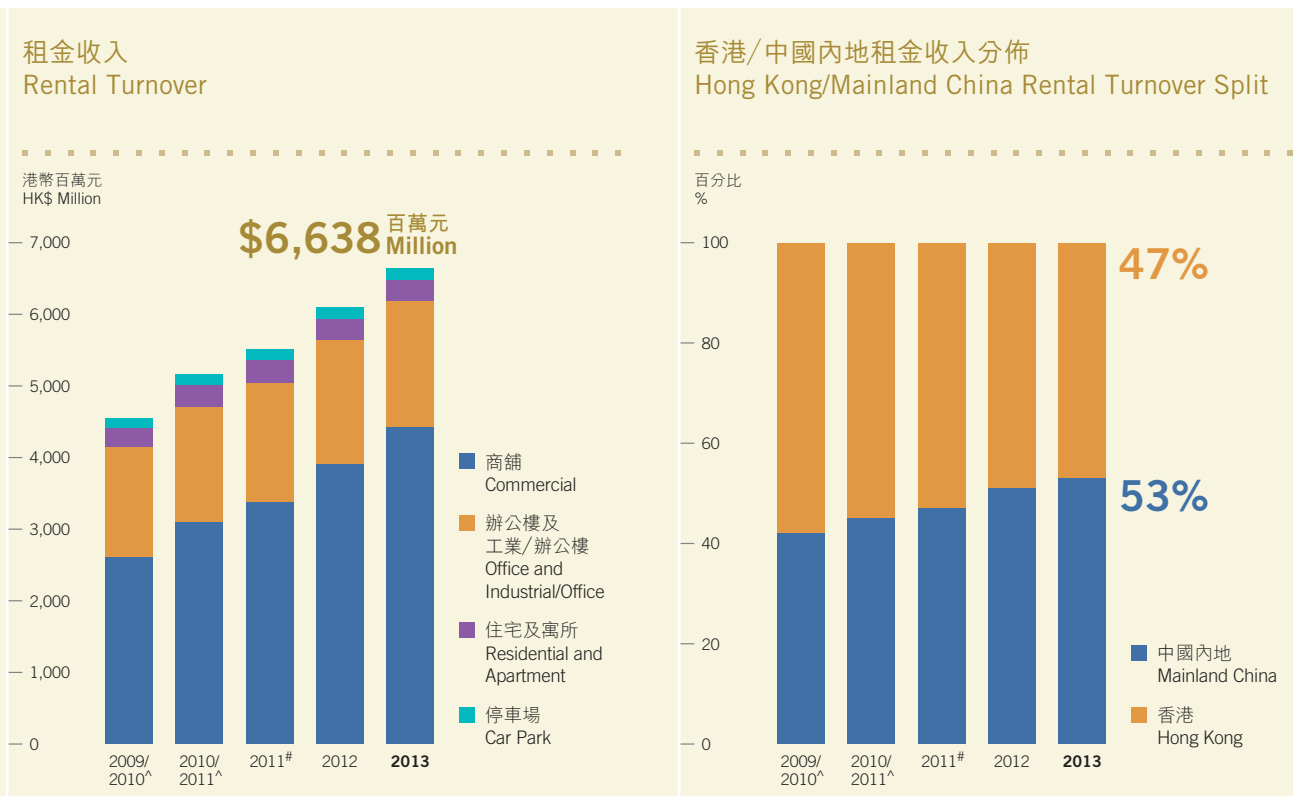
Business Overview

年內，恒隆地產繼續以「只選好的 只做對的」為方針。儘管物業市場挑戰重重，但我們仍堅持選擇黃金地點興建優質物業，致力打造世界級的綜合發展項目。

The We Do It Right principle continued to be a guiding force for Hang Lung Properties during the year. Despite challenges in the property market, we remained committed to building quality properties in the right locations and creating world-class mixed development projects.

二零一三年內，我們管理完善的現有物業組合及新發展項目，提供穩健的租金收入，有助本集團錄得理想業績，為股東帶來另一個穩定增長的年度。

In 2013, steady rental turnover from both our existing well-managed portfolio and new developments contributed to the impressive results we achieved. This enabled us to deliver yet another year of stable growth for our shareholders.



[^] 截至六月三十日止財政年度
Financial year ended June 30

[#] 重列二零一一年十二月三十一日止十二個月
Restated to 12-month period ended December 31, 2011



營業總額為港幣九十一億三千八百萬元，比上一個財政年度增長百分之二十四。鑑於出售的投資物業較二零一二年大幅減少，股東應佔基本純利下降百分之十八至港幣五十億五千萬元，每股盈利下降百分之十八至港幣一元一角三仙。

Total turnover was HK\$9,138 million, up 24% from the previous financial year. As there was insignificant gain on disposal of investment properties compared to 2012, underlying net profit attributable to shareholders was down by 18% to HK\$5,050 million, while earnings per share fell 18% to HK\$1.13 as a result.

物業租賃

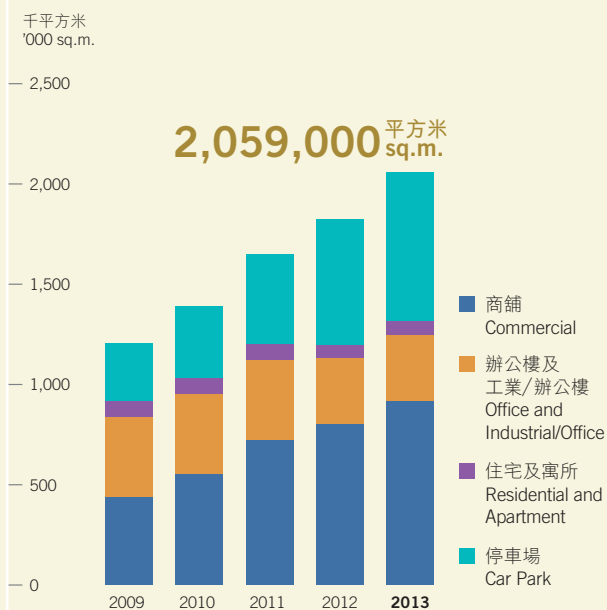
截至二零一三年十二月三十一日止十二個月期內，集團物業租賃核心業務的租金收入及營業溢利持續穩健地增長。倘不計入已終止營運的物業的影響，期內的租金收入和營業溢利總額同告增長百分之十二，分別達至港幣六十六億三千八百萬元和港幣五十三億二千六百萬元。總體而言，兩者均同比增長百分之九。整體租金邊際利潤為百分之八十。

PROPERTY LEASING

We continued to enjoy solid rental turnover and operating profit growth in our core business of property leasing for the 12-month period ended December 31, 2013. Rental turnover and operating profit both rose 12% to HK\$6,638 million and HK\$5,326 million, respectively, when excluding the impact of the discontinued operations. Overall, both increased by 9% year-on-year. Overall rental margin was 80%.

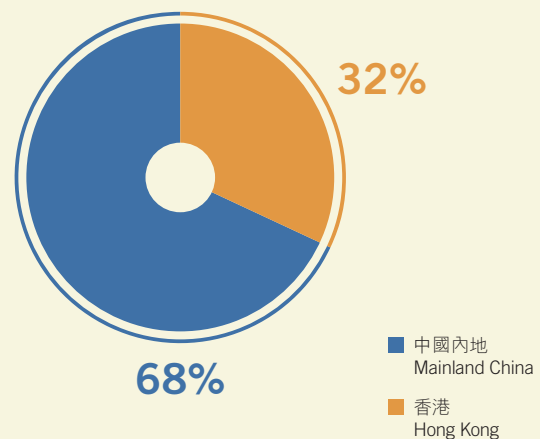
投資物業面積之業務分類
Area of Investment Properties by Business Segment

於十二月三十一日 At December 31



投資物業面積之地域分佈
Area of Investment Properties by Geographical Location

於二零一三年十二月三十一日 At December 31, 2013





業務概覽

Business Overview



香港的物業組合錄得穩步增長
Our property portfolio in Hong Kong achieves steady growth

香港

來自香港投資物業的租金收入及營業溢利，在可同比較的基礎上分別增長百分之十及百分之十一至港幣三十一億一千二百萬元及港幣二十六億四千三百萬元。總體而言，租金收入及營業溢利較上年度分別上升百分之三及百分之五。

二零一三年度，香港物業租賃業務佔本集團租金收入總額的百分之四十七。

中國內地

儘管內地近年經濟增長略為放緩，恒隆在內地市場繼續錄得穩健增長，租金收入總額上升至港幣三十五億二千六百萬元，較上年度增長百分之十四，營業溢利增加百分之十三至港幣二十六億八千三百萬元。

Hong Kong

Rental turnover and operating profit generated from our Hong Kong investment properties were up 10% and 11% to HK\$3,112 million and HK\$2,643 million, respectively, on a comparable basis. Overall, rental turnover and operating profit rose 3% and 5%, respectively, compared to a year ago.

In 2013, the property leasing business in Hong Kong contributed 47% to the Group's total rental turnover.

Mainland China

Although economic growth on the Mainland was relatively moderate in recent years, Hang Lung continued to achieve stable growth in this market, with total rental turnover rising to HK\$3,526 million, up 14% from the previous year, and operating profit increased by 13% to HK\$2,683 million.



本集團其中一個新項目 — 無錫的恒隆廣場，於二零一三年九月開幕後的租出率達百分之九十五，首三個月營運期的租金收入達港幣七千七百萬元。

One of the Group's new developments, Center 66 in Wuxi, opened in September 2013 with 95% occupancy rate, which accounted for a rental turnover of HK\$77 million in the first three months of operation.

自二零零零年代初起，上海的恒隆廣場和港匯恒隆廣場一直是集團的中流砥柱。兩者年內的租出率穩定保持在百分之九十六，租金收入上升百分之六至港幣二十六億四千萬元。

Plaza 66 and Grand Gateway 66, which have been part of the Group's strong foothold in Shanghai since the early 2000s, recorded stable occupancy rates at 96%. Rental turnover from these properties amounted to HK\$2,640 million, up 6%.

瀋陽的市府恒隆廣場近乎全部租出，租出率為百分之九十九。皇城恒隆廣場在完成首個租約期後，現正重整租戶組合，租出率為百分之八十八。

In Shenyang, Forum 66 was almost fully let, with occupancy rate recorded at 99%. Palace 66 is now reshuffling the tenant mix after the completion of the first lease term, with occupancy rate recorded at 88%.

位於山東省省會濟南的恒隆廣場，在重組租戶的過程中，租金收入微升百分之一至港幣三億六千七百萬元。

In Jinan, the capital city of Shandong Province, Parc 66, in the course of tenant reshuffle, recorded a slight increase of 1% in rental turnover to HK\$367 million.

中國內地物業租賃業務持續增長，現佔本集團租金收入總額的百分之五十三。

Following the expansion of our mainland China operations, this side of the business now accounts for 53% of the Group's total rental turnover.



新近在無錫開業的恒隆廣場，突顯了本公司在建築設計和選址上對最高標準的堅持
The newly opened Center 66 underscores the Company's commitment to upholding the highest standards of excellence in architectural design and location choice



業務概覽

Business Overview

物業發展

隨著江蘇省無錫市的恒隆廣場於二零一三年九月盛大開幕，本集團的發展達至另一里程碑。此項嶄新地標擁有超過二百五十家世界級租戶，為無錫市民帶來一個全新的購物和消閒體驗。

無錫的恒隆廣場置身中國內地經濟最活躍的長江三角洲地區，享有龐大發展機遇。項目一期的購物商場坐落無錫市核心商圈崇安區人民中路，未計算停車場的面積，其總樓面面積達十一萬八千一百三十五平方米。除購物商場外，項目一期還包括於二零一四年起分期落成的兩座甲級辦公樓。

二零一三年十一月十九日，武漢的恒隆廣場舉行開工剪綵儀式，標誌著本集團首次進軍華中地區。該項新商業綜合物業坐落武漢市中心的繁盛商貿樞紐，是糅合東西文化的現代建築與設計典範。這是集團在內地發展的第十個項目，預期於二零一九年起分期建成，勢將成為集團在華中地區的橋頭堡。

另一個大型購物商場項目是天津的恒隆廣場，將於二零一四年第三季盛大開幕，項目現已開始預租。

二零一三年十一月二十六日，集團另一個大型地標項目——位於遼寧省大連市的恒隆廣場舉行主體結構封頂儀式。項目於二零一五年開幕後將成為大連市最大的商業地標物業，總樓面面積約達二十二萬一千九百平方米（不包括停車場面積），設有相連中庭，提供逾四百家商舖、一所電影院及溜冰場。

其他所有內地發展項目，於年內的施工進度良好。

PROPERTY DEVELOPMENT

In September 2013, the Group reached a milestone in its development with the grand opening of a new landmark shopping mall – Center 66 in Wuxi, Jiangsu Province. It is now home to more than 250 world-class tenants bringing an all-new shopping and leisure experience to the public in Wuxi.

Center 66 is strategically located in the Yangtze River Delta for tapping into the enormous potential of mainland China's most dynamic economic region. Situated in the heart of the city's central business district, Renmin Zhong Lu in Chong'an District, the mall of Phase 1 has a gross floor area of 118,135 square meters, excluding the car park areas. In addition to the shopping mall, the first phase of this development will ultimately comprise two Grade A office towers that are due to be completed in stages from 2014.

On November 19, 2013, the Group held a groundbreaking ceremony in Wuhan for Heartland 66, a new commercial complex that marks the Group's first entry into central China. Located in the commercial and business heart of Wuhan, Heartland 66 is a showcase of modern architecture blending the best design elements of East and West. The project is the Group's 10th development on the Mainland and will be its flagship property in this part of the country when completed in phases from 2019.

Another upcoming shopping mall development, Riverside 66 in Tianjin, will have its grand opening in the third quarter of 2014. Pre-leasing of the mall's world-class retail facilities has already begun.

A topping-out ceremony of its major structure was held for another of the Group's major landmark projects, Olympia 66 in Dalian, Liaoning Province, on November 26, 2013. When it opens in 2015, Olympia 66 will become the largest commercial landmark in Dalian, occupying a total gross floor area of around 221,900 square meters (excluding the car park areas). It will feature a series of interconnected atrium spaces, with more than 400 shops, a cinema and skating rink.

All other projects under development on the Mainland were progressing well during the year.



財務狀況

年內，本集團繼續保持雄厚資本。現金及銀行結餘為港幣三百四十三億二千一百萬元。扣除債項總額港幣三百四十九億七千九百萬元後，集團的淨債項股權比率為百分之零點五。

由於財政穩健，實力充裕，集團不僅足以為現有發展項目提供融資，亦可把握未來出現的擴展良機。

展望

多年來，恒隆憑藉對內地物業市場的深厚掌握及對優質設計的堅持，穩步發展成為一家業務橫跨全國多個城市並具領導地位的商業物業發展商。我們同時擁有雄厚財力，足以應付近期市道放緩的影響，並能把握機會購置土地。

在香港，我們旗下物業均坐落於黃金地點，質量出眾，故能吸引優質長期租戶。我們並定期優化租戶組合、提升物業設施及定期舉辦市場推廣活動，增加物業的吸引力和盈利能力。此外，我們密切監察樓市，在最適當的時間推售住宅單位。

天津的恒隆廣場將於二零一四年開幕。其他多個以「恒隆廣場」這卓越品牌命名的項目均按計劃進行，進度良好並將於未來數年相繼落成。

由於我們過去一年持續發展，因此儘管未來一年的經濟將充滿挑戰，我們對集團在香港和內地的長遠發展前景仍然充滿信心。

FINANCIAL POSITION

We continued to enjoy a healthy balance sheet during the year. Cash and bank balance amounted to HK\$34,321 million. After deducting total borrowings of HK\$34,979 million, the Group had a net debt to equity ratio of 0.5%.

With our strong financial position, we have ample capacity not only to fund our current development projects, but also to capture any future expansion opportunities that may arise.

OUTLOOK

Over the years, Hang Lung has evolved into a leading national commercial property developer with operations across many cities – a transformation made possible by our deep knowledge of the Mainland property market and our focus on quality designs. This, along with our financial strength, has enabled us to overcome the impact of the recent market slowdown and to capitalize on opportunities for acquiring land.

In Hong Kong, we have an outstanding portfolio of properties in excellent locations that allows us to attract and retain high quality tenants. We also periodically refine our tenant mix, upgrade our properties and run regular promotional campaigns in order to maintain the attractiveness and profitability of our properties. In addition, we closely monitor the residential market and release residential units for sale at the most opportune time.

In Tianjin, Riverside 66 will open in 2014. Other projects in mainland China, all of which carry our renowned “66” brand name, are progressing well as planned and will come on stream over the next few years.

As a result of the continuing progress we have made in the past year, we are confident about our long-term development prospects both in Hong Kong and on the Mainland, despite the economy is full of challenge for the year ahead.



珍如拱璧

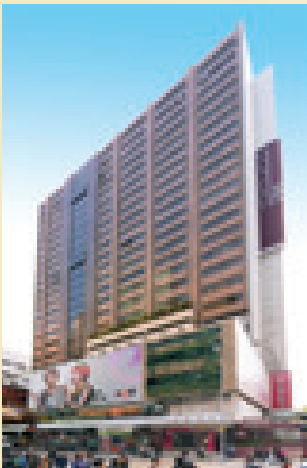
PRECIOUS AND TRUE

為確保旗下物業質量出眾，我們精挑細選優質建材，從每項微細物料到各式裝置，每個細節均一絲不苟，貫徹「只選好的 只做對的」宗旨。

We ensure our properties live up to our reputation for quality by carefully selecting only the finest building materials. From the marble we choose to the fixtures we install, we insist We Do It Right by taking care of every single detail.

香港物業發展

HONG KONG PROPERTY DEVELOPMENT



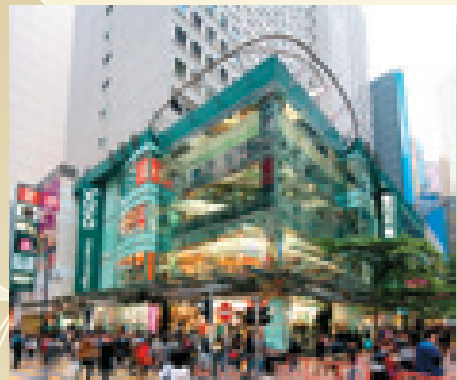
家樂坊
GALA PLACE



荷李活商業中心
HOLLYWOOD PLAZA



格蘭中心
GRAND CENTRE

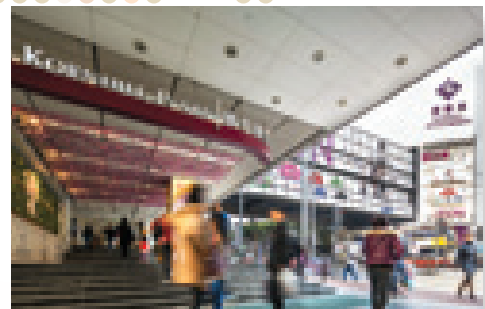
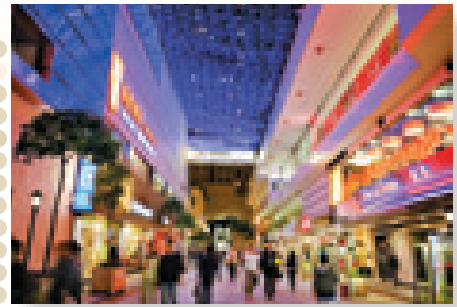


恒隆中心
HANG LUNG CENTRE

雅蘭中心
GRAND PLAZA



淘大商場
AMOY PLAZA



康怡廣場
KORNHILL PLAZA



名店坊
FASHION WALK



山頂廣場
THE PEAK GALLERIA



香港物業租賃

Hong Kong Property Leasing

恒隆透過深思熟慮的策略部署，在旗下位於香港的物業進行優化租戶及全面提升資產等舉措，進一步強化集團的香港物業組合的整體表現，令業務在整體經濟不明朗因素的影響下，仍然錄得穩健增長。

Through thoughtful consideration, tenant mix optimization and vigorous asset upgrades, Hang Lung further strengthened the overall performance of the Hong Kong portfolio and succeeded in generating stable growth despite the uncertainties in the economy.

年內，政府遏抑樓市措施導致物業交投遞減，業主售樓意欲有所下降。這對消費信心及我們部分主要租戶的銷售表現帶來影響。

Government measures to cool down the property market suppressed property transactions in the year and discouraged owners from selling their properties. This, in turn, affected consumer sentiment and the sales performance of some of our anchor tenants.

然而，我們旗下商場及辦公樓的租出率均上升兩個基點，分別至百分之九十八及百分之九十六。

Nevertheless, the occupancy rates of our retail and office properties both increased by two points to 98% and 96%, respectively.





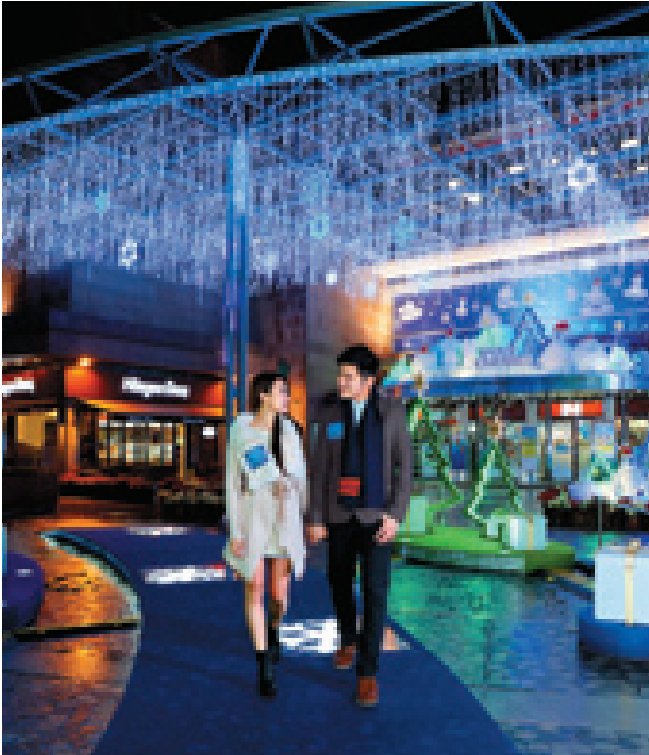
租金收入
Rental Turnover

港幣 **3,112** 百萬元
HK\$ Million





香港物業租賃 Hong Kong Property Leasing



山頂廣場舉行「冬日星願·閃爍山頂」活動，顧客反應熱烈
Twinkle Twinkle Wishing Star Christmas event at The Peak Galleria receives an overwhelming response



「康怡學林」為兒童提供各類互動教育課程，繼續深受家長歡迎，亦為租戶帶來大量客流和營業額
Kornhill Learnscape, which provides a comprehensive offering of interactive educational programs for children, continues to be welcomed by parents. It attracts large number of visitors, bringing increased footfall and business to tenants

由於我們年內調升租金，倘不計入已終止營運的物業的影響，租金收入及營業溢利分別增長百分之十及百分之十一，至港幣三十一億一千二百萬元及港幣二十六億四千三百萬元。總體而言，租金收入及營業溢利較上年度分別上升百分之三及百分之五。

展望二零一四年，儘管預料經濟充滿不明朗因素，我們預期租戶銷售額及租金收入仍會增長。我們並相信，基於我們的商場及商舖物業坐擁黃金地段，加上我們努力不懈地提升租戶組合和服務質量，應可為我們未來一年的增長帶來利好作用。

With positive rental reversions during the year, we achieved growth in rental turnover and operating profit by 10% to HK\$3,112 million and 11% to HK\$2,643 million, respectively, when excluding the impact of the discontinued operations. Overall, rental turnover and operating profit rose 3% and 5%, respectively, compared to a year ago.

For 2014, we expect sustainable growth in tenant sales and rental turnover despite the predicted economic uncertainty. We also believe that the prime locations of our commercial and retail properties, together with our continuous efforts to improve our tenant mix and service quality, will have a favorable impact on our growth picture in the year ahead.



商舖

儘管二零一三年市況緩和，我們的購物商場業務仍表現理想，租金收入增長百分之七至港幣十七億二千六百萬元，整體租出率亦上升兩個基點至百分之九十八。

山頂廣場獲周大福、莎莎、Coach及湯美巴哈馬等商戶加盟，業務表現理想。這不僅為我們帶來穩健租金收入，也促進了商場的銷售額及整體購物體驗。

此外，隨著更多本地特色品牌店進駐，例如香港電車文化館、曲奇薈和泰昌餅家等，山頂廣場成功加強其「香港品味」的定位及知名度。為進一步發揮商場的獨特地理優勢，山頂廣場更首度與凌霄閣和香港旅遊發展局合辦「冬日星願·閃爍山頂」活動，深受公眾歡迎。

年內，集團持續提升銅鑼灣**名店坊**的租戶組合，致力把物業打造成高消費力顧客及時裝、美食愛好者與潮流先驅的獨有消閒熱點。新加盟商戶包括COS、Francfranc、King Ludwig德國餐廳等，深受顧客歡迎。droog、GumGumGum等品牌的嶄新期間限定店，配合我們密集的市場推廣活動及對社交媒體的掌握，成功吸納更多顧客，為名店坊注入更多朝氣。

集團與全球最大時裝零售商之一H & M Hennes & Mauritz AB (H&M) 簽訂租務協議。H&M將於二零一五年夏季落戶**恒隆中心**，開設其於亞洲首間及最大型的全球旗艦店。這勢令恒隆在銅鑼灣的商舖物業組合增添吸引力及賣點，鞏固恒隆中心和名店坊作為該區零售和消閒中心的地位。

COMMERCIAL

Despite the slow market growth in 2013, rental turnover of our shopping mall business increased 7% to HK\$1,726 million. The overall occupancy rate also recorded a rise of two points to 98%.

The Peak Galleria has been performing well after Chow Tai Fook, Sa Sa, Coach and Tommy Bahama joined the mall. These businesses not only contributed to our strong rental situation, but also increased sales within the mall and improved the overall shopping experience.

What's more, bringing in stores with a unique local story such as Hong Kong Trams Station, Cookie Galerie and Tai Cheong Bakery increased media exposure for the mall and strengthened our Love Hong Kong Style branding. To maximize the potential of its unique location, The Peak Galleria joined with the Peak Tower and the Hong Kong Tourism Board for the first time to organize the Twinkle Twinkle Wishing Star Christmas event, which was well received by the public.

Supporting our vision to reshape **Fashion Walk** as a “distinctive lifestyle destination” for affluent and sophisticated fashion or food lovers and trendsetters, progressive tenant mix improvements continued to take place in 2013. New brands such as COS, Francfranc and King Ludwig German Restaurant have been introduced and they were all well received by our target customers. Novel pop-up stores including droog and GumGumGum, complemented with a bustling schedule of promotional activities and social media efforts, further engaged shoppers with our area brand and injected exciting energies into Fashion Walk.

A lease agreement was signed with H & M Hennes & Mauritz AB (H&M), one of the world's largest fashion retailers, which will open its first Asian and the biggest global flagship store at **Hang Lung Centre** in the summer of 2015. This will undoubtedly add to the strength and attractiveness of our retail portfolio in Causeway Bay, reinforcing the transformation of Hang Lung Centre and Fashion Walk as a retail and entertainment hub in the district.



香港物業租賃

Hong Kong Property Leasing



旺角雅蘭中心已於二零一三年完成大部分內部翻新，外貌亦將於二零一五年耳目一新
Grand Plaza in Mongkok finished most of its interior renovation in 2013 and will have a new façade in 2015

康怡廣場在二零一三年內近乎全部租出。這很大程度上是由於我們在二零一二年提升商場的食肆組合，並於年內舉辦多項市場推廣活動以提升顧客購物體驗所致。在這些前提下，商場成功提高銷售額及取得可觀的業務增長。

雅蘭中心於年內完成大部分內部翻新工程，有助租金收入銳增約百分之二十二。商場現正進行外牆翻新工程，預計將於二零一五年第一季完成。物業來年計劃進一步優化租戶組合，包括增設複式店舖。

訪港旅客數字上升，特別是以具中檔消費能力的內地遊客為主，這將繼續是未來數年本港零售業的重要支持，而翻新後的雅蘭中心的定位亦會迎合此重要的顧客群。

Kornhill Plaza remained almost fully let throughout the year of 2013. This was in large part due to a major upgrade of the mall's restaurant businesses in 2012, as well as various promotional functions and activities that enhanced the shopping experience of customers. As a result of these promotions, the mall was able to improve sales performance and achieve remarkable growth.

The interior renovation of **Grand Plaza** was mostly completed during the year, which contributed to an outstanding rental turnover growth of about 22%. Work is now proceeding to complete the façade, which is scheduled for completion in the first quarter of 2015. Further improvements in the tenant mix are planned for the year ahead, with new duplex shops becoming available in the future.

The growth in tourism numbers, particularly of mainland Chinese tourists with medium range of spending power, will continue to be a dominant theme in the coming years. Our positioning of Grand Plaza is designed to match the profile of this important group of customers.



淘大商場年內完成租戶組合重組，原有的餐飲租戶由更年青及更具活力的時尚品牌和化妝品店取代，後者有能力支付較高租金。加上續租表現理想，帶動該物業的整體租金收入增長百分之九。商場現正進行另一項大型的優化租戶計劃，進展良好，相信有助進一步提升銷售額的增長幅度。

辦公樓及工業／辦公樓

年內，在可同比較的基礎上，集團旗下辦公樓及工業物業的租金收入總額增加百分之十至港幣九億八千三百萬元，租出率高企於百分之九十六。

自二零一二年十月迄今，渣打銀行大廈之辦公樓均全部租出。其商舖亦已全部租出，年內簽約的新租戶包括擁有眾多忠實客戶的高檔時尚品牌愛斯卡達 (Escada)，以及高級中式餐飲品牌Mott//32。

We completed a tenant reshuffle at **Amoy Plaza** during the year, replacing the original F&B tenants with young and energetic fashion brands and cosmetics retailers who have the ability to pay higher rents. Together with the satisfactory rent reversion rate upon tenancy renewals, the overall rental turnover increased by 9% in the year. Another major tenant upgrading plan is currently making good progress, which we believe will further contribute to higher sales growth in the mall.

OFFICE AND INDUSTRIAL/OFFICE

During the year, we increased total rental turnover in our office and industrial properties by 10% to HK\$983 million on a comparable basis and maintained a high occupancy rate of 96%.

At the **Standard Chartered Bank Building**, the office units have been fully let since October 2012. We have also leased all the shops in the commercial podium of the building. Among the new tenants acquired during the year were Escada, a luxury fashion brand with many loyal and upscale customers, and Mott//32, a modern high-end Chinese restaurant.



在渣打銀行大廈開店之高檔品牌
Luxury brands open shops at the Standard Chartered Bank Building



香港物業租賃

Hong Kong Property Leasing

隨著這兩家租戶於二零一四年首季開幕，渣打銀行大廈作為中環甲級辦公樓的形象將更加鮮明，彼等連同區內其他商舖將發揮更大協同效益。

作為渣打銀行大廈的主要租戶，渣打銀行亦在物業開設了其在香港的首間數碼分行。分行外牆換上時尚觸目的設計，並設置了巨型電視屏幕，為物業帶來全新的面貌。

自多個國際零售商於二零一二年皇后大道中一帶大規模擴張後，中環於過去一年的租賃情況有所放緩。由於皇后大道中租金高昂而該等零售商的銷售表現遜於預期，因此他們現正在中環區尋找較相宜的舖位。在此情況下，我們預期渣打銀行大廈的商舖和辦公樓於未來一年的租金收入將穩定增長。

年內，剛獲米芝蓮一星級的全新食肆都爹利會館進駐了位於**都爹利街一號**的上海灘。我們的整體租賃及市場推廣策略，目標是在吸納純辦公樓及非辦公樓租戶方面取得平衡，這個策略成功為都爹利街的物業組合的業務帶來了溫和的增長。趁著未來部分租約即將期滿，我們計劃提升**印刷行**及**樂成行**商舖部分的租戶組合，相信這亦有助提升都爹利街的整體購物氛圍，為現有租戶帶來更佳的協同效應。

位於**康怡廣場辦公大樓**的「康怡學林」的教育概念，發展成熟並廣受社區歡迎，與商場部分產生協同效應，吸引更多顧客，進一步發揮該區整體物業組合的潛在商機。

雅蘭中心辦公樓一期的租金收入在二零一三年錄得穩定增長。這主要由位於「杏林」及「唯美」專區，租金負擔能力較純辦公樓用途租戶為高的租戶所帶動。我們會持續提升物業的硬件設施和專業的管理服務予租戶及顧客，以進一步優化這些主題區域。

Opening in the first quarter of 2014, both tenants will enhance the building's image as a Grade A office tower in the central business district. They will also create greater synergy with other shops in this exclusive area of Hong Kong.

Our major tenant, Standard Chartered Bank, set up its first digital branch in Hong Kong at the Standard Chartered Bank Building. Featuring a stylish façade with a giant TV, the digital branch brought a completely fresh look for the building.

The rental situation in the central business district softened in the past year, following a year of aggressive expansion by international retailers along Queen's Road Central in 2012. They are now looking for less prime alternatives in the area, due to high rents on Queen's Road Central and a lower-than-anticipated sales performance. Against this backdrop, we expect stable income growth for our commercial and office leases in the Standard Chartered Bank Building in the year ahead.

A new F&B tenant, Duddell's, which was just awarded a Michelin One Star, has been introduced within the Shanghai Tang premises at **1 Duddell Street** in 2013. Overall our strategic leasing and marketing initiatives aiming to strike a balance between pure office and non-office tenants succeeded in generating moderate growth among the buildings in the portfolio of Duddell Street. Taking advantage of the coming lease expiry, we are also planning for a tenant mix upgrade in the commercial segment of **Printing House** and **Baskerville House**, which will also help to enhance the overall shopping environment of Duddell Street and bring a synergy effect to existing tenants.

The educational concept of Kornhill Learnscape at the **Office Tower of Kornhill Plaza** has been well-developed and has gained a good reputation in the community, creating a synergy effect with the shopping mall by attracting more shoppers, maximizing the business potential of the whole portfolio.

Rental turnover of **Office Tower One of Grand Plaza** recorded steady growth in 2013. This was attributable to the medical and beauty trades which have a higher rental affordability compared to tenants of pure office use. We will continuously enhance these theme zones by upgrading the hardware as well as the professional management services to our tenants and customers.



住宅及服務式寓所

年內，我們的住宅及服務式寓所的整體租出率下降一個基點至百分之七十四，但租金收入總額仍增長百分之一至港幣二億八千五百萬元。

RESIDENTIAL AND SERVICED APARTMENT

The overall occupancy rate of our residential and serviced apartments dropped by one point to 74%, but total rental turnover during the year still recorded an increase of 1% to HK\$285 million.

香港投資物業之按地域分析

GEOGRAPHICAL ANALYSIS OF HONG KONG INVESTMENT PROPERTIES

於十二月三十一日 At December 31

		總樓面面積* (千平方米) Total Gross Floor Area* ('000 sq.m.)	
		2013	2012
港島	Hong Kong Island		
中環及金鐘	Central and Admiralty	51	51
銅鑼灣及灣仔	Causeway Bay and Wan Chai	92	92
康怡及鰂魚涌	Kornhill and Quarry Bay	134	134
山頂及半山區	The Peak and Mid-Levels	47	47
港島南區	Hong Kong South	12	12
九龍	Kowloon		
旺角	Mongkok	140	140
尖沙咀及西九龍	Tsim Sha Tsui and West Kowloon	88	88
牛頭角及觀塘	Ngau Tau Kok and Kwun Tong	76	76
長沙灣及葵涌	Cheung Sha Wan and Kwai Chung	9	9
總計	Total	649	649

* 包括停車場之樓面面積
Including gross floor area of car parks

香港投資物業之按類分析

SEGMENTAL ANALYSIS OF HONG KONG INVESTMENT PROPERTIES

截至十二月三十一日止年度 For the year ended December 31

		總樓面面積 (千平方米) Total Gross Floor Area ('000 sq.m.)		租金收入 (港幣百萬元) Rental Turnover (HK\$ Million)		租出率 (百分比) Occupancy Rate (%)	
		2013	2012	2013	2012	2013	2012
商舖	Commercial	246	246	1,726	1,609	98	96
辦公樓及 工業/辦公樓	Office and Industrial/Office	169	169	983	1,005	96	94
住宅及寓所	Residential and Apartment	68	68	285	282	74	75
停車場	Car Park	166	166	118	120	N/A	N/A
總計	Total	649	649	3,112	3,016	94	92



香港物業發展及銷售

Hong Kong Property Development and Sales

本集團於黃金地段興建優質住宅物業，並採取策略性的銷售計劃來創造最大價值，因此我們旗下的物業普遍受市場歡迎。

然而，二零一三年內由於環球經濟不明朗及政府採取遏抑樓市措施，導致中國內地及海外買家數目減少。

二零一三年內，浪澄灣、君臨天下及碧海藍天的銷售總額為港幣二十五億元，較上一財政年度增加百分之九十六。

浪澄灣

浪澄灣坐落於九龍西南區，是一個共設八座大樓的高檔住宅項目，提供一千八百二十九個單位。除波浪型特色設計外，還包括遼闊海景，以及樓高四層的頂級住客會所和康樂設施。

二零一三年內，我們售出該物業的二百六十七個單位，銷售總額為港幣二十四億一千七百萬元，邊際利潤達百分之六十。

君臨天下

君臨天下聳立於港鐵九龍站，是九龍西南區黃金地段的頂級尊貴豪宅項目。

該物業共有三座相連住宅大廈，提供一千一百二十二個單位，坐擁一百八十度維港全海景，建築設計新穎，現代生活設施齊全。

二零一三年內，該物業售出一個單位，銷售總額為港幣五千三百萬元。

We build top quality residential properties in prime locations and take a highly disciplined sales approach to optimize value. As a result, our properties are normally well received in the market.

In 2013, however, the property market slowed down due to the uncertain global economy and the Hong Kong government's cooling measures, which caused a drop in the number of buyers from mainland China and overseas.

Total proceeds generated from the sales of The Long Beach, The HarbourSide and AquaMarine in 2013 amounted to HK\$2,500 million, up by 96% compared with the previous financial year.

THE LONG BEACH

With a prime location in southwestern Kowloon, The Long Beach is a high-end residential complex with a total of 1,829 units in eight towers. Distinguishing features include a unique wave-like design, spectacular sea views and a best-in-class clubhouse with four stories of luxury facilities and recreational services.

In 2013, we sold 267 units and the profit margin on the total sales of HK\$2,417 million was 60%.

THE HARBOURSIDE

Soaring above Kowloon Station, The HarbourSide is a prestigious, top-end residential development in a prime location in southwestern Kowloon.

The complex has a total of 1,122 units in three connected towers, with sweeping 180-degree views of Victoria Harbour, an ultra-modern design and contemporary lifestyle facilities.

During the year, one unit was sold with total proceeds of HK\$53 million.



浪澄灣提供合共一千八百二十九個高檔住宅單位
The Long Beach provides a total of 1,829 high-end residential units

藍塘道23-39

「藍塘道23-39」豪宅項目位於跑馬地高尚地區，地盤面積達七千八百五十平方米。該項目取得美國綠色建築協會「能源及環境設計先鋒獎 — 住宅」的金獎認證，是該認證在中國最大的得獎項目及國際試點計劃中全球首個註冊項目。

項目亦於二零一三年第十屆透視設計大賞中，贏得專業組最佳建築作品優異獎。

23-39 BLUE POOL ROAD

23-39 Blue Pool Road in Happy Valley is a luxury development in a prime location, covering a site area of 7,850 square meters. It was awarded a Gold Level certificate under the Leadership in Energy and Environmental Design (LEED) for Homes launched by the U.S. Green Building Council. So far, it is the largest project in China to gain the certification and the first project in the world registered under the International Pilot Scheme.

The project also gained a Certificate of Excellence in Architecture (Best Residential) in the professional category at the 10th Perspective Awards in 2013.



獨佔鰲頭

ABOVE AND BEYOND

我們的建築和管理服務秉持最高質量標準，這項堅持令我們在中國內地鶴立雞群，同時為所在城市的零售業貫注新動力，為市民帶來多彩多姿的休閒生活和購物體驗。

We have maintained our commitment to the highest quality standards in construction and management services. This commitment has enabled us to rise above our competitors in mainland China and inject new energy into the retail industry to bring local citizens a dynamic lifestyle, shopping and leisure experience.

中國內地物業發展

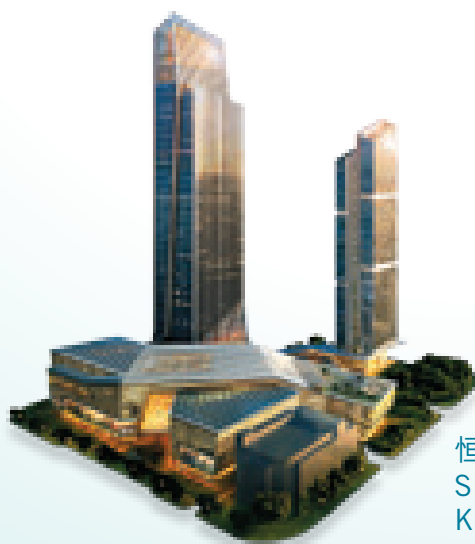
MAINLAND CHINA PROPERTY DEVELOPMENT



恒隆廣場 • 濟南
PARC 66, JINAN



恒隆廣場 • 無錫
CENTER 66, WUXI



恒隆廣場 • 昆明
SPRING CITY 66,
KUNMING

昆明 KUNMING



恒隆廣場 • 天津
RIVERSIDE 66, TIANJIN

市府恒隆廣場 • 瀋陽
FORUM 66, SHENYANG



皇城恒隆廣場 • 瀋陽
PALACE 66, SHENYANG



恒隆廣場 • 大連
OLYMPIA 66, DALIAN

瀋陽 SHENYANG

大連 DALIAN

天津 TIANJIN

濟南 JINAN

無錫 WUXI

上海 SHANGHAI

武漢 WUHAN



恒隆廣場 • 上海
PLAZA 66,
SHANGHAI



港匯恒隆廣場 • 上海
GRAND GATEWAY 66,
SHANGHAI



恒隆廣場 • 武漢
HEARTLAND 66, WUHAN



中國內地物業租賃 Mainland China Property Leasing

早於一九九零年代起，恒隆已率先進入中國內地物業市場。我們專注打造由頂級建築師設計的世界級商業項目和城市地標作為長遠投資。

In the 1990s, Hang Lung became one of a few Hong Kong property developers to establish a presence in mainland China's property market. Our focus has been to build world-class commercial complexes and iconic landmarks, designed by leading architects, for long-term investment.



無錫的恒隆廣場於二零一三年九月十六日盛大開幕
Center 66 in Wuxi celebrates its grand opening on September 16, 2013



縱使於二零一三年內，中國內地經濟增長放緩，但我們在內地的租賃業務，仍能取得穩健增長。這是因為現有物業表現穩健，加上於二零一二年九月在瀋陽開業的市府恒隆廣場為全年度營運，以及無錫的恒隆廣場於二零一三年九月開幕等因素，均為穩健業績作出貢獻。

二零一三年內，中國內地物業租賃業務的租金收入較上年度增長百分之十四，達至港幣三十五億二千六百萬元。

Despite the moderate economic growth in the Chinese economy in 2013, our property leasing business in mainland China still recorded a solid performance. Contributing to this was the steady performance of the existing portfolio, together with the full year impact of Forum 66 in Shenyang which commenced operation in September 2012, and the new mall, Center 66 in Wuxi, which opened in September 2013.

The total rental turnover of property leasing in mainland China in 2013 was HK\$3,526 million, up 14% from the year before.

租金收入

Rental Turnover

港幣 3,526 百萬元
HK\$ Million

恒隆广场

只做对的



恒隆地產
HANG LUNG PROPERTIES





中國內地物業租賃 Mainland China Property Leasing



上海的恒隆廣場的得獎推廣項目「仲夏IN巴黎」為顧客帶來巴黎式的時尚購物體驗
The award-winning Summer in Paris campaign of Plaza 66, Shanghai brings the trendiest Parisian-style shopping experience to shoppers

恒隆廣場 • 上海

受惠於年內可觀的租金調升，上海的恒隆廣場的商場租金收入上升百分之六至港幣七億七千二百萬元。

儘管政府於年內採取政策規範送禮文化，尤其影響鐘錶及珠寶行業的銷售額，但全賴商場的奢侈品旗艦店及時裝設計師品牌店表現穩健，上海的恒隆廣場的總零售額只輕微下降。

由於部分高消費力顧客因人民幣升值而轉往海外消費，而普遍市民亦較集中消費於旅遊上，因此上海零售市場的整體銷售額下降。

PLAZA 66, SHANGHAI

Rental turnover of the mall of Plaza 66 increased by 6% to HK\$772 million, mainly attributable to positive rental reversions during the year.

Despite the government's policy and control on gifting, which affected the sales performance of certain trades such as watches and jewelry, retail sales of Plaza 66 recorded just a slight decrease, attributable to the satisfactory performance of the mall's luxury flagship stores and fashionable designer labels.

In the retail market as a whole, sales decreased as some affluent shoppers began spending their money overseas to take advantage of the strong RMB, while mass consumers focused more of their spending on travel.



二零一三年十一月，恒隆廣場的香奈兒 (Chanel) 精品店經翻新和擴充後重新揭幕。這家面積達八百平方米的兩層高精品店，為顧客帶來巴黎式的優雅購物氣派與超越的現代感。

恒隆廣場為持續加強商場定位和優化租戶組合，引入多個新品牌，包括伯爾魯帝 (Berluti)、璞琪 (Emilio Pucci)、麗派朵 (Repetto) 首家上海分店，以及新的特色餐廳和生活品味咖啡館。原有的國際時尚品牌，年內亦有理想的銷售表現。

為促進銷售額，我們舉辦了「仲夏 IN 巴黎」等多項推廣活動。該活動不僅成功吸引眾多顧客，更獲得由上海市商務委員會和上海市商業聯合會頒發的「二零一三年上海優秀商業形象作品 — 空間展示」金獎。

二零一四年，我們會繼續優化租戶組合，為顧客帶來更豐富的體驗。我們亦會引入更多的餐飲店，提供更多選擇予顧客，並同時進行策略性市場推廣計劃，以鞏固上海的恒隆廣場的優越定位和銷售營業額。

儘管市場上的供應量增加，上海的恒隆廣場旗下的辦公樓繼續享有高租出率。其快速的租戶承接力，證明該辦公樓是上海商業中心區深受垂青的地標項目。年內的新租戶包括方達律師事務所和電子商務公司 VIP。

由於新舊租戶均有穩定需求，辦公樓錄得可觀的租金調升及穩健的收入增長。年內租金收入為港幣八億元，較上年度增加百分之七。

兩座辦公樓現正計劃進行翻新，有助我們於浦西區其他新辦公樓落成之際在市場保持領先地位。

In November 2013, Plaza 66 welcomed the Chanel Plaza 66 boutique on its re-opening after a refurbishment and expansion program. The new 800-square meter two-story boutique provides an elegant and timeless Parisian shopping experience for customers in Shanghai.

As part of Plaza 66's ongoing repositioning and trade mix reorganization, new brands were introduced to the mall, including Berluti, Emilio Pucci, the first Repetto store in Shanghai, as well as new specialty restaurants and lifestyle cafés. Existing international fashion labels also achieved a satisfactory sales performance during the year.

To increase sales, we held a number of promotional activities such as the Summer in Paris campaign. This event not only attracted shoppers, but also received the Gold Award of Spatial Display from the Shanghai Municipal Commission of Commerce and Shanghai Commercial Association.

In 2014, trade mix refinement will be carried out continuously to enrich shoppers' experience and excitement while more F&B outlets will be introduced, aiming to provide an attractive offering to shoppers. Strategic marketing campaigns will also be launched in order to reinforce the luxury positioning and sales turnover of Plaza 66.

Despite new supply in the market, the office towers of Plaza 66 continued to enjoy a high occupancy rate. Rapid tenant replacements also proved that Plaza 66 is a desirable landmark development in the central business district of Shanghai. New tenants during the year included Fangda Partners and VIP, a law firm and an e-business company, respectively.

The office towers have also been enjoying favorable rental reversions and stable revenue growth as a result of steady demand by new and existing tenants. Rental turnover during the year was HK\$800 million, up 7% from the year before.

Planning for the renovation of the two office towers is underway, which will help us stay at the forefront of the market as new office buildings come on stream in Puxi district.



中國內地物業租賃 Mainland China Property Leasing



港匯恒隆廣場的奢侈品牌店開幕，吸引大批顧客
The opening of a luxury brand store at Grand Gateway 66 attracts a large crowd of customers

港匯恒隆廣場 • 上海

儘管市道放緩，港匯恒隆廣場於二零一三年的租金收入仍增加百分之六至港幣十億六千八百萬元。

年內，商場的二樓完成翻新後，共有十七個國際品牌開業，包括曼之 (Maje)、衫卓 (Sandro)、Red Valentino 及迪賽 (Diesel)。恩思恩 (MCM) 於一樓的店舖銷售理想，亦在二樓開設了另一家新店。

衣念中國 (Eland China) 繼於瀋陽的皇城恒隆廣場、市府恒隆廣場及濟南的恒隆廣場落戶後，於二零一三年亦租用港匯恒隆廣場五個單位。

GRAND GATEWAY 66, SHANGHAI

Despite the softening economic environment, rental turnover at Grand Gateway 66 increased 6% to HK\$1,068 million in 2013.

During the year, a total of 17 international brands including Maje, Sandro, Red Valentino and Diesel opened their doors following our second floor renovation. MCM also set up one more shop on the second floor after the success of its store on the first floor.

Eland China, which already has a presence at Palace 66, Forum 66 in Shenyang and Parc 66 in Jinan, leased five units at Grand Gateway 66 in 2013.



由於其他新商場相繼開業，令上海整體零售市場的競爭加劇。其他利淡市場的因素包括奢侈品牌暫緩其在亞洲的擴展計劃及縮減市場推廣開支，以及網上購物的興起等。

然而，年內亦出現一些利好趨勢。環球經濟呈現復甦跡象，中國人均收入上升，因而增加消費者的消費能力，最終可支持港匯恒隆廣場零售商戶的業務增長。

根據現有租戶於年內的表現，我們預期二零一四年的零售額和租金收入將會繼續遞增。未來一年，港匯恒隆廣場會繼續透過市場推廣及宣傳活動支持租戶，同時也會推出貴賓會員計劃及進行物業翻新，以保持我們在中高端豪華商場中的領導地位。

皇城恒隆廣場 • 瀋陽

瀋陽的皇城恒隆廣場於二零一零年開業，在完成首個租約期後，於二零一三年進行了較大規模的租戶優化工作，因此，租金收入按年輕微下降百分之二至港幣一億六千萬元。

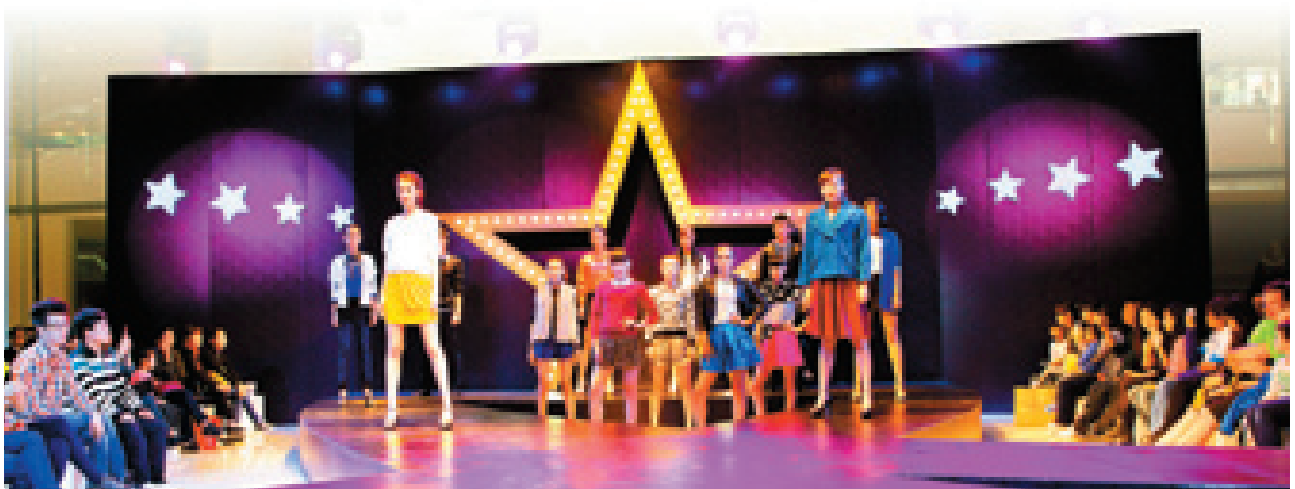
In the retail market as a whole, competition intensified with the opening of new malls in Shanghai. Other factors putting pressure on the market included luxury brands holding back on their expansion plans for Asia, reduced marketing budgets, and the rise of on-line shopping.

Nevertheless, some positive trends emerged during the year. The global economy showed signs of recovery while average income in mainland China increased, which will give consumers greater spending power and ultimately support the growth of the retail tenants in Grand Gateway 66.

We expect both retail sales and rental turnover to continue to grow in 2014, based on the performance of our existing tenants during the review period. Grand Gateway 66 in the year ahead will continue to support tenants and invest in various marketing and promotional activities, while also launching a VIP program and renovation program in order to maintain the leading position of the mall in the mid- to high-end luxury market.

PALACE 66, SHENYANG

Commenced operation in 2010, the mall was in the process of a large scale tenant mix reshuffle in 2013 after the completion of the first lease cycle. As a result, rental turnover for the year slipped 2% year-on-year to HK\$160 million.



皇城恒隆廣場推出精彩的市場推廣活動，保持商場作為潮流與時尚中心的定位
Fabulous marketing programs are held at Palace 66 to upkeep the mall's positioning as a fashion and lifestyle center



中國內地物業租賃

Mainland China Property Leasing

隨著商場一樓的國際時尚品牌和流行服飾區開幕，我們吸引了更多新租戶加盟，如 Juicy Couture、BMW Lifestyle、Aape、Mandarina Duck、CHOCOOLATE 及 Monki 等，零售額相應增長。

為了營造輕鬆和時尚的購物氛圍，商場引入了星巴克 (Starbucks)、太平洋咖啡 (Pacific Coffee) 及一家茶館。一系列創新的廣告和市場推廣活動更進一步提高了商場的知名度。此外，商場外圍的道路工程已於二零一三年八月完成，有助客流於年內逐步增加。

未來一年，商場將繼續優化租戶組合，引入更多大眾化的奢侈品類、時尚服飾品牌、餐飲店，以及瑜伽和健身中心等生活店舖，旨在為商場吸引更多人流，尤其是年青一輩的顧客。憑藉更優化的租戶組合，我們相信皇城恒隆廣場的租金收入將穩健地增長。

恒隆廣場 • 濟南

自濟南的恒隆廣場於二零一一年開業後，已在當地市場奠定其作為潮流及生活熱點的獨特地位。商場引入多個首次進駐濟南的時尚品牌，包括 Ed Hardy 和東田造型 (Tony Studio)，潮流服飾品牌包括 J.Lindeberg、Masfer.Su、d'zzit 及愛美麗 (imi's) 亦選擇在濟南的恒隆廣場開設旗艦店，並深受市場歡迎，取得良好的銷售額。其他現有品牌包括 Massimo Dutti、Muji、Pierre Balmain、Armani Jeans、Coach、Juicy Couture、高檔超市 Ole' 等，年內的銷售表現亦見理想。

為給商戶營造優良的營商環境，同時為顧客帶來全面的購物體驗，我們舉辦了一系列的市場推廣活動，包括與場內品牌攜手合辦的時裝秀、為慶祝商場開業兩週年而舉辦的「快閃」活動，以及成功吸引了年青一輩顧客的萬聖節巡遊活動等。

With the opening of the international lifestyle brands and trendy fashion zones on the first floor of the mall, we attracted new tenants such as Juicy Couture, BMW Lifestyle, Aape, Mandarina Duck, CHOCOOLATE, and Monki, leading to an increase in retail sales.

Starbucks, Pacific Coffee and a teahouse were introduced to the mall for creating a relax and stylish shopping ambience. A series of creative advertising and promotional campaigns further contributed to the mall's growing popularity. Additionally, the completion of road works in August 2013 helped to increase footfall gradually during the year.

In the year ahead, we will continue to upgrade the trade mix by bringing in affordable luxury brands, fast fashion brands, more F&B outlets, and lifestyle-oriented services such as a yoga & fitness center. The mall's positioning as a fashion and lifestyle center targets to attract more customers, especially from the young age group. With enhanced tenant mix, we are confident that rental turnover of Palace 66 will grow satisfactorily.

PARC 66, JINAN

Since opening in Jinan in 2011, Parc 66 has optimized its unique positioning in the local market as a trend-setting fashion and lifestyle shopping destination. In 2013, trendy brands introduced by Parc 66 for the first time in Jinan included Ed Hardy and Tony Studio, and popular fashion brands J.Lindeberg, Masfer.Su, d'zzit and imi's also chose to open their flagship stores here. These tenants have been well accepted by the market and are enjoying healthy sales turnover. Existing brands such as Massimo Dutti, Muji, Pierre Balmain, Armani Jeans, Coach, Juicy Couture, and the upscale supermarket Ole' also recorded a satisfactory sales performance during the year.

A variety of marketing campaigns was held to provide a favorable business environment for our tenants, as well as to give our customers an all-round shopping experience. These included shows hosted jointly with fashion brands in the mall, the flash mob performance as a celebration of Parc 66's second anniversary, and the Halloween parade, which succeeded especially in attracting customers from the young age group.



濟南的恒隆廣場舉行活動慶祝開業兩週年
Parc 66 holds a program to celebrate its second anniversary

二零一三年內，濟南的恒隆廣場的顧客人流穩定增長至平均每天五萬人次。租金收入為港幣三億六千七百萬元，比上年度上升百分之一。在完成首個租約期後，在優化商場租戶組合的過程中，租出率略為下降，但零售額仍有百分之八的增長，明確顯示濟南零售市場蘊含了巨大潛力。而憑藉更有效的成本控制，租賃邊際利潤及營業溢利亦分別增加三個基點及百分之七。

濟南市場的消費者購買力強，但消費習慣較為保守，大部分人仍著重價值相宜的家庭式產品。來年，我們會繼續提升商場表現，包括探討在場內發展主題區域，例如潮流服飾專區、嶄新品牌專區及本地設計師品牌專區等，為顧客提供便利的一站式購物體驗。同時，我們會繼續與品牌舉辦更多創新的推廣活動，提升整體購物氛圍及銷售額。

In 2013, Parc 66 enjoyed steady growth in traffic up to a daily average of 50,000 visitors. Rental turnover was HK\$367 million, up 1% from the previous year. After the completion of the first lease cycle, a lower occupancy rate was recorded in the course of tenant reshuffle. Nevertheless, retail sales of Parc 66 increased 8% during 2013, which proved the great potential in the Jinan retail market. As a result of more efficient cost control, the rental margin and operating profit also recorded increases by three points and 7%, respectively.

In the Jinan market, consumers have strong purchasing power but tend to be conservative in their spending habits, with the majority still focused on value-for-money household products. In the year ahead, we will continue to upgrade the mall by exploring the development of special theme zones such as international trendy fashion brands, first-in-Jinan brands and domestic designer brands to provide a more convenient one-stop shopping environment. We will also continue to organize more brand promotions with tenants and more creative promotional activities to boost the overall shopping ambience and the sales performance.



中國內地物業租賃 Mainland China Property Leasing



市府恒隆廣場舉辦多彩多姿的推廣活動，更不時邀請知名人士出席
Diversified marketing events at Forum 66 always include appearances by renowned celebrities

著名德國皮革用品恩思恩 (MCM)，已於二零一四年一月在恒隆廣場開設其在濟南的首家分店；著名韓國化妝品牌悅詩風吟 (Innisfree)，亦即將於二零一四年二月開幕。憑藉這些新品牌為商場注入新的活力，以及我們為提升租戶組合及舉行多元化市場推廣活動所付出的努力，我們有信心在二零一四年，商場的零售額將可有更可觀的增長，逐步達成我們把商場打造成為濟南必到之地的目標。

市府恒隆廣場 • 瀋陽

自二零一二年九月開業以來，市府恒隆廣場已吸引多個國際頂級品牌落戶，有助出租率保持在百分之九十九的高水平。

透過一系列具創意的廣告和市場推廣活動，商場增加了知名度及客流。我們並與租戶緊密合作，攜手舉行各項推廣活動，例如在中庭舉辦「春夏鬥秀場」新裝展示會，有效提升整體購物氛圍。

MCM, a famous German crafts luxury leather goods retailer, has already opened its first store in Jinan in January 2014. Innisfree, a very popular Korean cosmetics brand, will also open its first store in Jinan at Parc 66 in February 2014. With this new energy injected into the mall, together with our continuous effort in upgrading the trade mix and organizing diversified marketing campaigns, we are confident that retail sales of the mall will have a more substantial growth in 2014 and achieve the target of positioning Parc 66 as the must-visit place in Jinan.

FORUM 66, SHENYANG

Since its opening in September 2012, Forum 66 has attracted high-end international brands which have helped us maintain a high occupancy rate of 99%.

Through a series of innovative advertising and promotional campaigns, we have increased awareness of the mall and traffic to it. We have also maintained close cooperation with tenants on holding co-marketing events such as fashion shows in the atrium, which have significantly enhanced the overall shopping ambience.



其他推廣活動亦非常成功，包括瀋陽首個手機應用程式推廣活動「iButterfly 繽紛送禮物」、「聖誕香榭麗舍時尚之旅」及其他聖誕、新年特備活動，以及著名香港藝人劉德華亮相市府恒隆廣場百麗宮影院為其電影《風暴》舉行首映會。

隨著市府恒隆廣場與地鐵線連接通道正式開通，預期商場人流將會增加。另外，項目的辦公樓一期正在施工，計劃於二零一四年封頂。

恒隆廣場 • 無錫

儘管無錫的恒隆廣場於二零一三年九月才開業，但商場在當地已吸納了一批忠實顧客。

商場能夠早傳捷報，乃由於其高端定位、精心設計的購物環境，以及優越地利，配合大規模的市場推廣計劃，突顯其作為時尚都會購物熱點的特色。

Some of the other successful campaigns we have undertaken included the launch of iButterfly, the first mobile app marketing event in Shenyang; the Les Champs-Élysées au Forum 66 2013; a series of Christmas and New Year events; and the premiere of the movie *Firestorm* at Palace Cinema with a special guest appearance by renowned Hong Kong artist Andy Lau.

With the opening of a new metro station connected directly to Forum 66, we expect to attract more footfall to the mall. The Office Tower One, which is now under construction, is expected to be topped out in 2014.

CENTER 66, WUXI

Although Center 66 has been opened only since September 2013, it has quickly built a following in Wuxi.

Its early success is based on the mall's high-end positioning, well-designed shopping environment and convenient location, as well as an extensive marketing campaign promoting it as a fashionable and cosmopolitan place to shop.



更多高端品牌將於二零一四年落戶無錫的恒隆廣場
More high-end brands will open their doors at Center 66 in 2014



中國內地物業租賃 Mainland China Property Leasing

無錫的恒隆廣場臻達頂尖建築設計標準，勢將成為我們在無錫的業務旗艦。其購物商場雲集環球國際品牌、餐飲店和生活設施，為顧客締造非凡的生活購物體驗。已進駐的二百五十家商戶包括：尚美巴黎 (CHAUMET)、凱特絲蓓 (kate spade)、普拉達 (PRADA)、羅傑•維維亞 (Roger Vivier)、華倫天奴 (Valentino)、切瑞蒂 (Cerruti 1881)、安普里奧•阿瑪尼 (EMPORIO ARMANI)、日默瓦 (RIMOWA)、托德斯 (TOD'S) 及優衣庫 (Uniqlo) 等。

雖然近年內地政府採取措施調控經濟，以及無錫當地湧現其他新的商業項目，但是我們對商場的前景非常樂觀，這是因為新地鐵接駁通道及辦公樓均將於二零一四年啟用，而新租戶如路易威登 (Louis Vuitton)、蘋果 (Apple)、傑尼亞 (Ermenegildo Zegna)、萬寶龍 (MONT BLANC)、沛納海 (Panerai) 及積家 (JAEGER-LECOULTRE)，以及多個高端餐飲品牌亦行將落戶。更多其他品牌亦積極考慮進駐我們的商場。

恒隆廣場 • 天津

天津的恒隆廣場將於二零一四年第三季盛大開幕，各準租戶、顧客、媒體及當地政府均翹首以待。

商場定位為一個擁有卓越建築設計和優質管理服務的時尚潮流生活熱點。我們積極進行市場推廣，現已與多家旗艦租戶、國際時裝品牌店、餐飲店及生活時尚概念店簽定租約，部分租戶更是初次涉足天津，將在我們的商場開設其在天津的首家店舖。

天津的恒隆廣場的租戶組合，將會以生活奢侈品和高端時尚品牌為重點，為天津市民引入嶄新的時尚購物體驗。

Destined to become the flagship of our operations in Wuxi, Center 66 lives up to the highest standards of architectural design excellence. The mall also brings shoppers an exclusive shopping experience with global brands, F&B outlets, and lifestyle offerings all under one roof. Among the 250 tenants who have leased premises are CHAUMET, kate spade, PRADA, Roger Vivier, Valentino, Cerruti 1881, EMPORIO ARMANI, RIMOWA, TOD'S and Uniqlo, to name just a few.

Although the mainland China government has implemented measures to rein in the economy, and there has also been an influx of new commercial projects into Wuxi in recent years, we are optimistic about the mall's prospects. This is because the new subway passageway as well as the office section of the project will both open in 2014. New tenants such as Louis Vuitton, Apple, Ermenegildo Zegna, MONT BLANC, Panerai and JAEGER-LECOULTRE, as well as a number of high-end F&B brands, are all arriving. Other renowned brands are also paying keen attention to our mall, opening attractive possibilities for future cooperation.

RIVERSIDE 66, TIANJIN

In the lead-up to the grand opening of Riverside 66 in the third quarter of 2014, anticipation has begun to grow among prospective tenants, consumers, the media and the local government.

We are positioning this new mall as a stylish, trend-setting lifestyle destination, with outstanding architectural design and quality management services. As a result of our marketing efforts, we have successfully signed or secured commitments from anchor tenants, as well as international fashion brands, F&B outlets and lifestyle retailers. Some of these tenants are new to the market and will open their first store in Tianjin.

The trade mix of Riverside 66 will focus on lifestyle luxury and high-end fashion brands, which can deliver the new, trend-setting shopping experience we are bringing to Tianjin.



天津的恒隆廣場定位為時尚潮流生活熱點
Riverside 66 is positioned as a stylish, trend-setting lifestyle destination

項目的盛大開幕是集團在二零一四年的重頭戲。我們現正計劃一系列的推廣活動，以保持市場對項目的殷切期待。

未來數年，項目鄰近將有多項綜合物業、國際級辦公樓、酒店、服務式寓所及豪宅物業落成。我們預期這些項目將為天津的恒隆廣場提供穩定和優質的客流。縱使天津的市場競爭激烈，我們抱有信心，項目的頂級物業管理服務加上創新的營銷和推廣活動，可成功吸引優質租戶和天津的消費者。

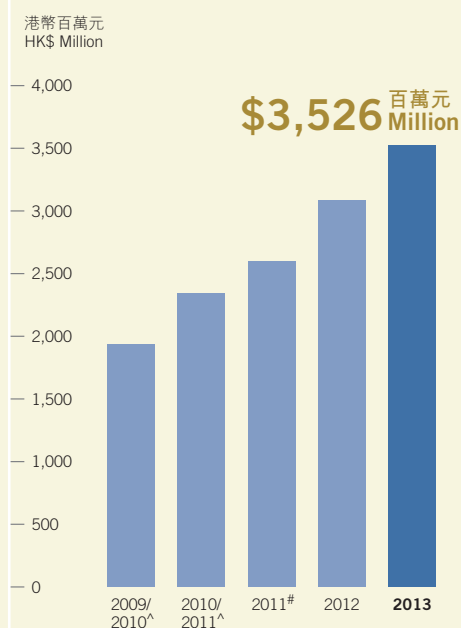
The grand opening of Riverside 66 will be the most important event for the Group in 2014, and we are planning a series of marketing activities to keep expectations in the market high.

In the next few years, a number of new mixed-used developments, international office towers, hotels, serviced apartments and luxury residences will open nearby. We expect these developments will contribute a stable and high quality source of traffic for Riverside 66. Despite the competitive market situation in Tianjin, we are confident that our first-class property management services, creative marketing and promotional activities will be successful in attracting quality tenants and consumers in Tianjin.



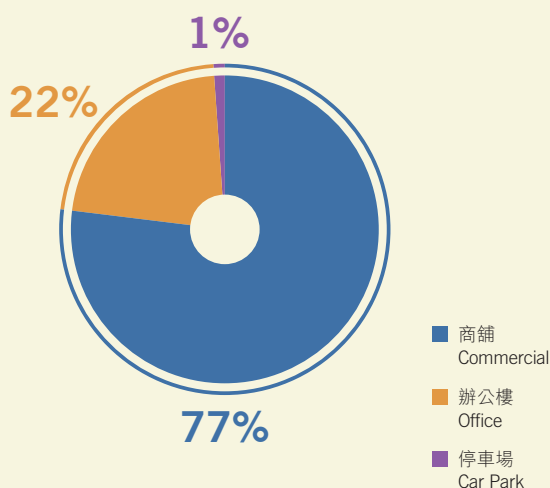
中國內地物業租賃 Mainland China Property Leasing

中國內地租金收入
Mainland China Rental Turnover



中國內地租金收入之業務分類
Mainland China Rental Turnover by Business Segment

於二零一三年十二月三十一日 At December 31, 2013



[^] 截至六月三十日止財政年度
Financial year ended June 30

[#] 重列二零一一年十二月三十一日止十二個月
Restated to 12-month period ended December 31, 2011

中國內地投資物業之按類分析

SEGMENTAL ANALYSIS OF MAINLAND CHINA INVESTMENT PROPERTIES

截至十二月三十一日止年度 For the year ended December 31

		總樓面面積 [#] (千平方米) Total Gross Floor Area [#] ('000 sq.m.)		租金收入 (港幣百萬元) Rental Turnover (HK\$ Million)		租出率 (百分比) Occupancy Rate (%)	
		2013	2012	2013	2012	2013	2012
商舖	Commercial	674	556	2,696	2,305	93	97
辦公樓	Office	160	160	786	734	95	98
停車場	Car Park	576	460	44	43	N/A	N/A
總計	Total	1,410	1,176	3,526	3,082	93	97

[#] 包括地面及地底之樓面面積
Including gross floor area above and below ground



中國內地投資物業及發展中投資物業之按地域分析

GEOGRAPHICAL ANALYSIS OF MAINLAND CHINA INVESTMENT PROPERTIES AND INVESTMENT PROPERTIES UNDER DEVELOPMENT

於二零一三年十二月三十一日 At December 31, 2013

總樓面面積*
(千平方米)
Total Gross Floor Area*
('000 sq.m.)

投資物業	Investment Properties	
上海	Shanghai	
徐匯區	Xuhui District	165
靜安區	Jing'an District	273
瀋陽	Shenyang	
瀋河區(中街路)	Shenhe District (Zhongjie Lu)	181
瀋河區(青年大街)	Shenhe District (Qingnian Da Jie)	301
濟南	Jinan	256
無錫	Wuxi	
崇安區(人民中路)	Chong'an District (Renmin Zhong Lu)	234
總計	Total	1,410
發展中投資物業	Investment Properties Under Development	
瀋陽	Shenyang	
瀋河區(青年大街)	Shenhe District (Qingnian Da Jie)	759
無錫	Wuxi	
崇安區(人民中路)	Chong'an District (Renmin Zhong Lu)	145
崇安區(健康路)	Chong'an District (Jiankang Lu)	109
天津	Tianjin	153
大連	Dalian	222
昆明	Kunming	434
武漢	Wuhan	460
總計	Total	2,282

* 包括地面及地底之樓面面積
Including gross floor area above and below ground



中國內地物業發展

Mainland China Property Development

集團在中國東北地區另一項地標建築 — 天津的恒隆廣場將於第三季隆重開幕，標誌著我們物業發展業務於二零一四年的另一大亮點。

In the third quarter of 2014, one of the highlights for our property development business will be the grand opening of Riverside 66 in Tianjin, another iconic landmark in northeastern China.







中國內地物業發展 Mainland China Property Development

恒隆廣場 • 天津

天津的恒隆廣場坐落於市內核心地段 — 「全國十大著名商業街」之一的和平路，這座地標物業提供十五萬二千八百平方米的世界級商舖，落成後將成為中國最長的購物商場之一。

這個富有特色的嶄新建築設計獲美國建築師聯合會紐約分會頒發「二零一零年美國建築師聯合會紐約分會設計年獎（在建項目組別）」。其他獎項包括「二零零七年 MIPIM Architectural Review 未來項目大獎 — 零售及消閒組別」及獲美國綠色建築協會頒發「能源及環境設計先鋒獎 — 核心及外殼組別」金獎預認證。項目的預租及其他準備工作正在如火如荼地進行，將於二零一四年第三季盛大開幕。

RIVERSIDE 66, TIANJIN

Riverside 66 is strategically located in the heart of Tianjin on a prime site on Heping Lu, one of the “Ten Most Famous Commercial Streets in China”. With 152,800 square meters of world-class commercial facilities, this landmark development will be one of the longest shopping malls in China.

Riverside 66 has been widely acclaimed for its innovative design, including the 2010 AIA New York Chapter’s Design Awards – Unbuilt Category from the American Institute of Architects (AIA) New York Chapter. Other recognitions included the MIPIM Architectural Review Future Project Awards 2007 – Retail and Leisure award, and Precertification under the Leadership in Energy and Environmental Design (LEED) for Core and Shell Development – Gold Level issued by the U.S. Green Building Council. Pre-leasing and other preparation works are now in top gear for the grand opening in the third quarter of 2014.



天津的恒隆廣場座落市內核心地段和平路
Riverside 66 is located in the heart of Tianjin on Heping Lu



恒隆廣場一期及二期 • 無錫

二零一三年九月十六日，位於江蘇省無錫市的恒隆廣場（一期）購物商場舉行了盛大的開幕儀式，這是我們在富裕的長江三角洲地區最新的商業綜合項目。

這座世界級購物商場坐落無錫市核心商圈崇安區人民中路。連同隨後於二零一四年起分期落成的兩座甲級辦公樓在內，項目總樓面面積達二十六萬二千七百平方米（不包括停車場面積）。

項目二期位處人民中路面，集商場、酒店與服務式寓所於一身，落成後與一期合計，將成為無錫市核心商業區內最大的零售和商業地標。

CENTER 66 – PHASE 1 & PHASE 2, WUXI

On September 16, 2013, we held a grand opening ceremony for the shopping mall in Phase 1 of Center 66 in Wuxi, Jiangsu Province, our latest commercial complex project in the affluent Yangtze River Delta region.

This world-class shopping mall is conveniently located in Wuxi's central business district on Renmin Zhong Lu in Chong'an District. With a gross floor area of 262,700 square meters (excluding car park areas), the shopping mall will also feature two Grade A office towers that are due for completion in phases from 2014 onwards.

Phase 2, just south of Renmin Zhong Lu, will offer commercial facilities as well as a hotel and serviced apartments. Following its completion, Center 66 will be the largest retail and commercial landmark in the central business district of Wuxi.



無錫的恒隆廣場雲集國際品牌，為顧客提供非凡的購物體驗
Center 66 brings shoppers an exceptional shopping experience with a host of international brands



中國內地物業發展 Mainland China Property Development

市府恒隆廣場 • 瀋陽

市府恒隆廣場位於遼寧省的最大城市瀋陽，總樓面面積達一百零六萬平方米。

項目的購物商場已於二零一二年九月開業。其樓高超過三百五十米的雙塔式辦公樓首座低及中層預期於二零一五年落成，全部竣工後勢將成為「東北第一高」。除購物商場和辦公樓外，項目還包括酒店及服務式寓所。

市府恒隆廣場坐落貫通瀋陽市中心有「金廊」之稱的青年大街，鄰近瀋陽市最著名的地標，包括遼寧大劇院、遼寧省博物館、市政府辦公樓及市府廣場等。直達項目的地鐵新線及車站已於年內開通，令該區更為繁盛及進一步帶動商場人流。

項目的購物商場按照頂尖環保標準興建，獲美國綠色建築協會頒發「能源及環境設計先鋒獎 — 核心及外殼組別」金獎認證。

FORUM 66, SHENYANG

Covering a total gross floor area of 1,060,000 square meters, Forum 66 is located in Shenyang, the largest city of Liaoning Province.

Opened in September 2012, the shopping mall will eventually be joined by two office towers rising 350 meters above the city – the tallest office buildings in northeast China. The low and middle zone of Office Tower One is expected to be inaugurated in 2015. In addition to the shopping mall and office towers, Forum 66 will comprise hotels and serviced apartments.

This complex is strategically located on Qingnian Da Jie, the “Golden Corridor” which runs through the city center. It is also close to Shenyang’s most well-known landmarks, including the Liaoning Grand Theater, the Liaoning Provincial Museum, the Municipal Government Building and City Plaza. Moreover, a new metro line and station opened during the year, providing direct access to Forum 66, injecting new energy into the area and bringing more footfall to the mall.

Built to the high level of environmental standards, the shopping mall of Forum 66 has been awarded Certification under the Leadership in Energy and Environmental Design (LEED) for Core and Shell Development – Gold Level by the U.S. Green Building Council.

市府恒隆廣場的辦公樓一期將於二零一四年封頂
Forum 66's Office Tower One will be topped out in 2014





大連的恒隆廣場於二零一三年十一月舉行主體結構封頂儀式
Olympia 66 holds the topping-out ceremony of its major structure in November 2013

恒隆廣場 • 大連

位於遼寧省大連市的恒隆廣場將是一個嶄新的地標項目，提供二十二萬一千九百平方米的購物、飲食及娛樂設施。項目坐落大連市主要商業街之一的五四路，毗鄰奧林匹克廣場，預期於二零一五年落成，成為大連市最大的嶄新購物商場。

項目設計糅合中國傳統及現代美學，取太極雙鯉魚的吉祥之意。這個別具匠心的設計，令項目獲獎無數，包括在二零一一年度亞洲國際房地產大獎中，奪得「中國最佳未來項目組別」銅獎，以及知名的國際房地產大獎二零一一年度「亞太區最佳零售建築項目」及「中國區五星級最佳零售建築項目」獎項。項目更擊敗世界其他頂級項目，贏得「二零一一年度國際最佳零售建築項目」大獎，令我們特別引以為傲。項目亦奪得了二零一三年度新興市場城市景觀建築大獎中「零售項目 — 未來」組別的最高殊榮。

秉持「只選好的 只做對的」原則，我們為大連的恒隆廣場引入頂級環保設施，項目獲美國綠色建築協會頒發「能源及環境設計先鋒獎 — 核心及外殼組別」金獎的預認證。

OLYMPIA 66, DALIAN

Olympia 66 will be an iconic new shopping, dining and entertainment complex covering a total of 221,900 square meters in the city of Dalian, Liaoning Province. Centrally located at Wusi Lu, one of the city's leading commercial avenues adjacent to Olympic Square, it is destined to become the largest new shopping mall development in Dalian following its scheduled completion in 2015.

This landmark shopping mall has already received wide acclaim for its unique design that blends both traditional Chinese and modern design elements. Based on the concept of the auspicious Chinese Tai Chi twin dancing carps, the design has won numerous awards, including the MIPIM Asia Awards 2011 – Bronze Award in the category of the Best Chinese Futura Projects, as well as the highly coveted Best Retail Architecture in Asia Pacific and Five-star Best Retail Architecture in China awards in the International Property Awards 2011. We are especially proud that Olympia 66 outperformed other projects from across the world to bring home the Best International Retail Architecture 2011 award. The project was also awarded the top honor in the 2013 Cityscape Awards for Emerging Markets in the category of Retail Project Awards – Future.

As part of the We Do It Right principle, we designed Olympia 66 as an environmentally-friendly building and received Precertification under the Leadership in Energy and Environmental Design (LEED) for Core and Shell Development – Gold Level from the U.S. Green Building Council.



中國內地物業發展 Mainland China Property Development

恒隆廣場 • 昆明

二零一二年十一月，集團位於雲南省昆明市的大型新項目恒隆廣場舉行了開工剪綵儀式，象徵著我們的內地業務翻開新的篇章。項目集世界級購物商場、甲級辦公樓及服務式寓所於一體，總樓面面積達四十三萬三千五百平方米（地上及地底，不包括停車場面積），預期於二零一八年起分期建成。

昆明的恒隆廣場位處市中心商業區心臟地帶，穩踞規劃中的中央商務區的核心圈內。項目坐落原昆明市政府大樓地塊，北臨東風東路，西至北京路，即昆明市兩條主要交通幹道兼商業大道之交匯點，佔盡地利。

在建中的地鐵二號線及三號線將與昆明的恒隆廣場連接，進一步促進項目人流。

SPRING CITY 66, KUNMING

In November 2012, we broke ground for Spring City 66, a major new development for Hang Lung in the city of Kunming, Yunnan Province, and symbolizing a new chapter in our Mainland operations. We are developing a complex with a total gross floor area of 433,500 square meters (ground level or above and B1 commercial area, excluding car park areas), including a world-class shopping center, a Grade A office tower and serviced apartments. The project is due for completion in phases from 2018.

Spring City 66 enjoys a central location in the business and commercial heart of Kunming in the core of a new central business district now being planned. It is on the site of the former municipal building of the Kunming government, ideally positioned along the intersection of Dongfeng Dong Lu to the north and Beijing Lu to the west, the two leading commercial avenues and main thoroughfares in the city.

Metro Lines 2 and 3 now under construction will provide direct access to Spring City 66 and attract further traffic to the complex.



昆明的恒隆廣場坐落市中心商業區心臟地帶，佔盡地利
Spring City 66 enjoys a perfect location in the business and commercial heart of Kunming



武漢的恒隆廣場於二零一三年十一月舉行開工剪綵儀式
Heartland 66 holds its groundbreaking ceremony in November 2013

恒隆廣場 • 武漢

位於湖北省省會武漢的恒隆廣場，是集團發展的另一個重要里程碑。

二零一三年十一月十九日，我們為武漢的恒隆廣場舉行開工剪綵儀式。這是我們在內地的第十個項目，也是我們進入華中地區的橋頭堡。武漢作為中國內陸最大的交通樞紐，以及國家中部崛起戰略上的重要支點，可讓我們在其經濟蓬勃發展下獲益。

作為集團在華中地區的旗艦項目，武漢的恒隆廣場是糅合東西文化的現代建築與設計典範。項目將包括世界級購物商場、甲級辦公樓及公寓式酒店，總樓面面積達四十六萬平方米（地上及地底，不包括停車場面積）。

該物業坐落市中心繁盛的商貿樞紐——礄口區京漢大道，鄰近輕軌和地鐵網絡，預期於二零一九年起分期建成，最先落成的為購物商場。

HEARTLAND 66, WUHAN

Another important milestone of the new development for Hang Lung is Heartland 66 in Wuhan, the capital city of Hubei Province.

On November 19, 2013, we held a groundbreaking ceremony for this new project, our 10th development on the Mainland and one that will give us a major presence in the central region of the country. Wuhan is a key transportation hub and a focal point for the nation's "Rise of Central China" strategy, allowing us to benefit from its economic development.

As our flagship project for central China, Heartland 66 will be a showcase of modern architecture and design, bringing together the best of East and West. It will comprise a world-class shopping mall, a Grade A office tower and serviced apartments covering a total gross floor area of 460,000 square meters (ground level or above and B1 commercial area, excluding car park areas).

Heartland 66 enjoys an ideal location on Jinghan Da Dao in the vibrant Qiaokou District, the commercial and business heart of Wuhan, with convenient light rail and mass railway connections. Scheduled for completion in phases from 2019, the shopping mall is due to be the first part of the project to come on stream.



集團主要物業 Major Group Properties

A 主要發展中物業

MAJOR PROPERTIES UNDER DEVELOPMENT

於二零一三年十二月三十一日 At December 31, 2013

地點	Location	地盤面積 (平方米) Site Area (sq.m.)	主要用途 Main Usage	總樓面面積 (平方米) Total Gross Floor Area (sq.m.)	施工階段 Stage of Completion	預計 落成日期 Expected Completion Date
香港 HONG KONG						
藍塘道， 內地段5747號	Blue Pool Road, IL 5747	7,850	R	8,585	建築上蓋 Superstructure	2014
瀋陽 SHENYANG						
市府恒隆廣場， 青年大街， 瀋河區	Forum 66, Qingnian Da Jie, Shenhe District	92,065	C/H/O/S	758,800	建築上蓋 Superstructure	2015 起 onwards
無錫 WUXI						
恒隆廣場（一期）， 人民中路， 崇安區	Center 66 (Phase 1), Renmin Zhong Lu, Chong'an District	37,324	O	144,590	建築上蓋 Superstructure	2014 起 onwards
恒隆廣場（二期）， 健康路， 崇安區	Center 66 (Phase 2), Jiankang Lu, Chong'an District	16,767	C/H/O/S	108,980	計劃中 Planning	
天津 TIANJIN						
恒隆廣場， 和平路， 和平區	Riverside 66, Heping Lu, Heping District	42,697	C	152,800	建築上蓋 Superstructure	2014
大連 DALIAN						
恒隆廣場， 五四路， 西崗區	Olympia 66, Wusi Lu, Xigang District	63,400	C	221,900	建築上蓋 Superstructure	2015
昆明 KUNMING						
恒隆廣場， 東風東路， 盤龍區	Spring City 66, Dongfeng Dong Lu, Panlong District	56,042	C/O/S	433,500	地基工程 Foundation	2018 起 onwards
武漢 WUHAN						
恒隆廣場， 京漢大道， 礄口區	Heartland 66, Jinghan Da Dao, Qiaokou District	82,637	C/O/S	460,000	計劃中 Planning	2019 起 onwards

C：商場 Commercial
H：酒店 Hotel
O：辦公樓 Office
R：住宅 Residential
S：服務式寓所/公寓式酒店 Serviced Apartment

以上物業皆為集團全資擁有
All the above properties are wholly owned by the Group



B 已建成待售物業

PROPERTIES COMPLETED FOR SALE

於二零一三年十二月三十一日 At December 31, 2013

地點	Location	主要用途 Main Usage	總樓面面積 (平方米) Total Gross Floor Area (sq.m.)	待售 住宅單位 數目 No. of Residential Unit for Sale	待售 車位數目 No. of Car Park Space for Sale
香港	HONG KONG				
君臨天下， 柯士甸道西1號， 九龍內地段11080號	The HarbourSide, 1 Austin Road West, KIL 11080	R	35,729	272	254
浪澄灣， 海輝道8號， 九龍內地段11152號	The Long Beach, 8 Hoi Fai Road, KIL 11152	R	71,585	859	390
碧海藍天， 深盛路8號， 新九龍內地段6338號	AquaMarine, 8 Sham Shing Road, NKIL 6338	R	1,678	17	494
君逸山， 迦密村街9號， 九龍內地段11122號	Carmel-on-the-Hill, 9 Carmel Village Street, KIL 11122	R	286	2	14

R：住宅 Residential

以上物業皆為集團全資擁有

All the above properties are wholly owned by the Group



集團主要物業 Major Group Properties

C 主要投資物業

MAJOR INVESTMENT PROPERTIES

於二零一三年十二月三十一日 At December 31, 2013

地點	Location	地契屆滿年期 Lease Expiry	商舖 Commercial	總樓面面積 (平方米) Total Gross Floor Area (sq.m.)		
				辦公樓及 工業/辦公樓 Office and Industrial/ Office	住宅及寓所 Residential and Apartment	車位數目 No. of Car Park Space
香港 HONG KONG						
中環 CENTRAL						
印刷行， 都爹利街6號， 內地段339號	Printing House, 6 Duddell Street, IL 339	2848	1,709	5,980	–	–
都爹利街1號， 內地段7310號	1 Duddell Street, IL 7310	2848	2,340	6,616	–	–
樂成行， 雪廠街22號， 內地段644號	Baskerville House, 22 Ice House Street, IL 644	2880	1,473	3,379	–	–
渣打銀行大廈， 德輔道中4-4A號， 海傍地段103號 A段及B段	Standard Chartered Bank Building, 4-4A Des Voeux Road Central, Sections A&B of ML 103	2854	4,814	23,730	–	16
銅鑼灣及灣仔 CAUSEWAY BAY AND WAN CHAI						
恒隆中心， 百德新街2-20號， 內地段524號及749號	Hang Lung Centre, 2-20 Paterson Street, IL 524 & IL 749	2864	8,777	22,131	–	126
名店坊， 百德新街、厚誠街、 記利佐治街、 加寧街、京士頓街、 告士打道， 海傍地段231號 及52號，內地段 469號及470號	Fashion Walk, Paterson Street, Houston Street, Great George Street, Cleveland Street, Kingston Street, Gloucester Road, ML 231 & ML 52, IL 469 & IL 470	2842, 2864 & 2868	31,072	–	7,935	–
瑞安中心， 15至28樓， 港灣道6-8號， 內地段8633號	Shui On Centre, 15/F-28/F, 6-8 Harbour Road, IL 8633	2060*	–	16,313	–	42
康怡 (鯪魚涌) KORNHILL (QUARRY BAY)						
康怡廣場， 康山道1-2號， 內地段8566號	Kornhill Plaza, 1-2 Kornhill Road, IL 8566	2059*	53,080	10,577	–	1,069
康蘭居， 康山道2號， 內地段8566號	Kornhill Apartments, 2 Kornhill Road, IL 8566	2059*	–	–	35,275	–

* 可續期七十五年
With an option to renew for a further term of 75 years



地點	Location	地契屆滿年期 Lease Expiry	總樓面面積 (平方米) Total Gross Floor Area (sq.m.)			車位數目 No. of Car Park Space
			商舖 Commercial	辦公樓及 工業/辦公樓 Office and Industrial/ Office	住宅及寓所 Residential and Apartment	
香港 (續)	HONG KONG (Continued)					
山頂及半山區	THE PEAK AND MID-LEVELS					
山頂廣場， 山頂道118號， 市郊地段3號	The Peak Galleria, 118 Peak Road, RBL 3	2047	12,446	–	–	493
花園臺， 2-3號第二座， 舊山頂道8A號， 內地段896號及2850號	Nos. 2&3, Garden Terrace, Block 2, 8A Old Peak Road, IL 896 & IL 2850	2078 & 2886	–	–	558	25
御峯， 司徒拔道41C號， 內地段8870號	The Summit, 41C Stubbs Road, IL 8870	2047	–	–	15,225	54
港島南區	HONG KONG SOUTH					
濱景園， 南灣道9號， 市郊地段994號	Burnside Villa, 9 South Bay Road, RBL 994	2072	–	–	9,212	89
旺角	MONGKOK					
旺角中心第一期， 彌敦道688號， 九龍內地段1262號	Argyle Centre, Phase I, 688 Nathan Road, KIL 1262	2060	64	–	–	–
雅蘭中心， 彌敦道625號及639號， 九龍內地段 10234號及10246號	Grand Plaza, 625 & 639 Nathan Road, KIL 10234 & KIL 10246	2060	20,905	31,251	–	40
恒通大廈， 廣東道1112-1120號， 九龍內地段9708號	Hang Tung Building, 1112-1120 Canton Road, KIL 9708	2045*	–	–	–	1,000
栢裕商業中心 / 家樂坊， 登打士街56號， 九龍內地段9590號	Park-In Commercial Centre/ Gala Place, 56 Dundas Street, KIL 9590	2044*	7,454	30,205	–	478
荷李活商業中心， 彌敦道610號， 九龍內地段11024號	Hollywood Plaza, 610 Nathan Road, KIL 11024	2047	9,139	17,941	–	–
君逸山， 迦密村街9號， 九龍內地段11122號	Carmel-on-the-Hill, 9 Carmel Village Street, KIL 11122	2050	2,131	–	–	11

* 可續期七十五年
With an option to renew for a further term of 75 years



集團主要物業 Major Group Properties

C 主要投資物業 (續)

MAJOR INVESTMENT PROPERTIES (CONTINUED)

於二零一三年十二月三十一日 At December 31, 2013

地點	Location	地契屆滿年期 Lease Expiry	商舖 Commercial	總樓面面積 (平方米) Total Gross Floor Area (sq.m.)			車位數目 No. of Car Park Space
				辦公樓及 工業/辦公樓 Office and Industrial/ Office	住宅及寓所 Residential and Apartment		
香港 (續)	HONG KONG (Continued)						
尖沙咀及西九龍	TSIM SHA TSUI AND WEST KOWLOON						
格蘭中心， 堪富利士道8號， 九龍內地段 7725號及8026號	Grand Centre, 8 Humphreys Avenue, KIL 7725 & KIL 8026	2038	3,688	7,198	—	—	
恒福時裝雅集， 彌敦道221B-E號， 九龍內地段10619號及 8132號	Hanford Fashion, 221B-E Nathan Road, KIL 10619 & KIL 8132	2037	1,444	4,891	—	—	
碧海藍天， 深盛路8號， 新九龍內地段 6338號	AquaMarine, 8 Sham Shing Road, NKIL 6338	2050	22,350	—	—	494	
浪澄灣， 海輝道8號， 九龍內地段 11152號	The Long Beach, 8 Hoi Fai Road, KIL 11152	2050	20,174	—	—	390	
牛頭角	NGAU TAU KOK						
淘大商場， 牛頭角道77號， 新九龍內地段53號、 1482號、2660號 及3947號	Amoy Plaza, 77 Ngau Tau Kok Road, NKIL 53, NKIL 1482, NKIL 2660 & NKIL 3947	2047	49,006	—	—	620	
淘大工業中心， 牛頭角道7號， 新九龍內地段 1744號	Amoycan Industrial Centre, 7 Ngau Tau Kok Road, NKIL 1744	2047	—	6,547	—	—	
葵涌	KWAI CHUNG						
荔灣花園， 荔景山道1A1、1A2、 5A、6A及6B號商舖， 測量約分4號地段 3336號	Laichikok Bay Garden, Shops 1A1, 1A2, 5A, 6A & 6B, Lai King Hill Road, Lot 3336 of SD 4	2047	3,109	—	—	172	



地點	Location	地契屆滿年期 Lease Expiry	總樓面面積# (平方米) Total Gross Floor Area# (sq.m.)				車位數目 No. of Car Park Space
			商舖 Commercial	辦公樓及 工業/辦公樓 Office and Industrial/ Office	住宅及寓所 Residential and Apartment		
上海	SHANGHAI						
港匯恒隆廣場， 虹橋路1號， 徐匯區	Grand Gateway 66, 1 Hong Qiao Lu, Xuhui District	2043	120,000	–	–	835	
恒隆廣場， 南京西路1266號， 靜安區	Plaza 66, 1266 Nan Jing Xi Lu, Jing'an District	2044	53,700	159,600	–	804	
瀋陽	SHENYANG						
皇城恒隆廣場， 中街路128號， 瀋河區	Palace 66, 128 Zhongjie Lu, Shenhe District	2057	109,300	–	–	864	
市府恒隆廣場， 青年大街， 瀋河區	Forum 66, Qingnian Da Jie, Shenhe District	2058	101,960	–	–	2,139	
濟南	JINAN						
恒隆廣場， 泉城路188號， 歷下區	Parc 66, 188 Quancheng Lu, Lixia District	2059	171,000	–	–	789	
無錫	WUXI						
恒隆廣場（一期）， 人民中路， 崇安區	Center 66 (Phase 1), Renmin Zhong Lu, Chong'an District	2049	118,135	–	–	1,292	

包括地面及地底之樓面面積
Including gross floor area above and below ground



財務回顧 Financial Review

二零一三年財務業績

倘不計入上年度已出售的投資物業的影響，本集團之營業額及營業溢利在可同比較的基礎上，分別增長百分之二十七及百分之二十二至港幣九十一億三千八百萬元及港幣六十八億三千七百萬元。總體而言，營業額較二零一二年增長百分之二十四，主要由於租金收入上升百分之九至港幣六十六億三千八百萬元，以及物業銷售收入增加百分之九十六至港幣二十五億元。

2013 FINANCIAL RESULTS

On a comparable basis, turnover and operating profit of the Group rose 27% and 22% to HK\$9,138 million and HK\$6,837 million, respectively when excluding the effect of investment properties disposed of in the previous year. Otherwise, overall turnover advanced by 24%, mainly attributable to 9% growth in rental turnover to HK\$6,638 million and 96% increase in property sales to HK\$2,500 million when compared to 2012.

		營業額 Turnover				營業溢利 Operating Profit			
				可同比較 基礎之改變 Change on a comparable basis			可同比較 基礎之改變 Change on a comparable basis		
港幣百萬元	HK\$ Million	2013	2012	改變 Change		2013	2012	改變 Change	
物業租賃	Property leasing	6,638	6,098	9%	12%	5,326	4,896	9%	12%
物業銷售	Property sales	2,500	1,274	96%	96%	1,511	846	79%	79%
總額	Total	9,138	7,372	24%	27%	6,837	5,742	19%	22%

在內地經濟增長相對放緩的情況下，集團的核心業務——香港及中國內地物業租賃繼續錄得穩健增長。持續經營業務之租金收入及營業溢利同告上升百分之十二，分別達至港幣六十六億三千八百萬元及港幣五十三億二千六百萬元。由於二零一二年內出售多項投資物業，總體而言租金收入及營業溢利均同比增長百分之九。

Our core business, property leasing in Hong Kong and Mainland China, continued to achieve solid results against the backdrop of relatively moderate economic growth. Rental turnover and operating profit of the continuing operations both rose 12% to HK\$6,638 million and HK\$5,326 million, respectively. Due to the disposal of several investment properties during 2012, overall rental turnover and operating profit both grew by 9% between the two years.

整體投資物業組合的平均邊際利潤為百分之八十，中國內地投資物業佔本集團租金收入及營業溢利總額之比重分別為百分之五十三及百分之五十。

Average profit margin of the entire investment property portfolio was 80%. Our investment properties in Mainland China accounted for 53% and 50% of the Group's total rental turnover and operating profit, respectively.



租金收入及營業溢利按地區概述如下：

Leasing turnover and profit by region is summarized as follows:

		營業額 Turnover				營業溢利 Operating Profit			
		2013	2012	改變 Change	可同比較 基礎之改變 Change on a comparable basis	2013	2012	改變 Change	可同比較 基礎之改變 Change on a comparable basis
港幣百萬元	HK\$ Million								
香港	Hong Kong	3,112	3,016	3%	10%	2,643	2,525	5%	11%
中國內地	Mainland China	3,526	3,082	14%	14%	2,683	2,371	13%	13%
總額	Total	6,638	6,098	9%	12%	5,326	4,896	9%	12%

香港方面，來自持續經營業務的租金收入及營業溢利，分別增長百分之十及百分之十一至港幣三十一億一千二百萬元及港幣二十六億四千三百萬元，此等穩健增長主要由於商舖及辦公樓物業的租金調升及優化租戶組合所致。商舖及辦公樓物業的租出率均上升兩個基點，分別上升至百分之九十八及百分之九十六。總體而言，香港業務的租金收入及營業溢利較上年度分別上升百分之三及百分之五。

Rental turnover and operating profit generated from our continuing operations in Hong Kong was up 10% and 11% to HK\$3,112 million and HK\$2,643 million, respectively. The solid growth was mainly driven by positive rental reversions and reshuffling of tenant mix in the Commercial and Office segments; their occupancy rate both increased by two points to 98% and 96%, respectively. Overall, rental turnover and operating profit of Hong Kong operations rose 3% and 5% respectively, compared to a year ago.

中國內地投資物業組合的租金收入及營業溢利分別上升百分之十四及百分之十三至港幣三十五億二千六百萬元及港幣二十六億八千三百萬元。上海業務穩健增長，加上瀋陽市府恒隆廣場為全年度營運，以及無錫的恒隆廣場於二零一三年九月開幕，均為理想的業績作出貢獻。

Rents and operating profit of our Mainland China investment properties portfolio advanced by 14% and 13% to HK\$3,526 million and HK\$2,683 million, respectively. These pleasing results were contributed by the steady growth of our operations in Shanghai, the full year impact of Shenyang Forum 66 and the opening of a new mall in Wuxi, Center 66, in September 2013.

上海的恒隆廣場及港匯恒隆廣場之租金收入，分別較上年度增長百分之七及百分之六；港匯恒隆廣場的購物商場保持全部租出，而恒隆廣場的購物商場之租出率達百分之九十六。儘管因為內地政府於年內採取反腐反奢措施而導致奢侈品銷情普遍放緩，該兩個購物商場之零售額大致保持穩定。

Shanghai Plaza 66 and Grand Gateway 66 recorded 7% and 6% rental turnover growth, respectively compared to the previous year. The Grand Gateway 66 Mall remained fully let while the Plaza 66 Mall reached 96% occupancy. Retail sales of the two malls remained stable despite a general downturn in mainland luxury goods sales as a result of government's anti-corruption and anti-opulence measures on the Mainland.



財務回顧 Financial Review

瀋陽的皇城恒隆廣場及濟南的恒隆廣場，在完成首個租約期後，正陸續調整及優化租戶組合，因此兩項物業之空置率暫時上升。皇城恒隆廣場的租金收入較上年度下跌百分之二，濟南的恒隆廣場則上升百分之一。儘管租出率下降，濟南的恒隆廣場及瀋陽皇城恒隆廣場之零售額分別增加百分之八及百分之九。

於二零一二年九月在瀋陽開業的市府恒隆廣場，按每天平均基準計算，其租金收入及零售額分別上升百分之四及百分之十五。

開業三個半月的無錫恒隆廣場的商場人流及零售額均上升，表現令人鼓舞；租出率穩企於百分之九十五。

物業銷售營業額及營業溢利分別增長百分之九十六及百分之七十九至港幣二十五億元及港幣十五億一千一百萬元。我們於二零一三年合共售出二百七十二個住宅單位（二零一二年：一百一十七個），其中二百六十七個為浪澄灣單位（二零一二年：一百零八個）、一個君臨天下單位及四個碧海藍天單位。物業銷售的平均邊際利潤為百分之六十。

由於二零一三年出售的投資物業明顯地較少，因此其他收入減少百分之九十八，由港幣二十一億五千三百萬元減至港幣三千六百萬元。二零一三年來自出售投資物業的一次性收益僅為港幣八百萬元，相比二零一二年為港幣二十一億四千八百萬元。

Tenant mix changes were continuing at Shenyang Palace 66 and Jinan Parc 66 after completion of the first lease cycle since their opening. As a result, there was higher vacancy temporarily at both properties. Thus rental turnover of Palace 66 slipped 2% and Parc 66 rose 1% when compared with the previous year. Notwithstanding a lower occupancy rate, retail sales of Para 66 and Palace 66 increased by 8% and 9%, respectively.

Shenyang Forum 66, opened in September 2012, recorded a 4% and 15% increase in rental turnover and retail sales on an average daily basis.

Performance of Wuxi Center 66, which was 3.5 months old at year end date, was encouraging with rising footfall and retail sales. Occupancy rate stood at 95%.

Property sales turnover and operating profit jumped 96% and 79% to \$2,500 million and HK\$1,511 million, respectively. A total of 272 residential apartments were sold in 2013 (2012: 117 units). The sales comprised of 267 units (2012: 108 units) of The Long Beach, one unit of The HarbourSide and four units of Aqua Marine. Average profit margin of the sales was 60%.

Other income decreased by 98% to HK\$36 million from HK\$2,153 million because of much fewer disposals of investment properties in 2013. The one-off gain from investment property disposals in 2013 was only HK\$8 million compared to that of HK\$2,148 million as recorded in 2012.



淨利息收入較上年度上升百分之四十五或港幣一億二千二百萬元，至港幣三億九千五百萬元；其中部分原因為受惠於現金及銀行平均結餘增加，另外亦由於發展中項目相關利息支出资本化金額上升所致。

二零一三年投資物業公平值的增幅為港幣二十四億八千二百萬元，與上年度之港幣二十五億二千二百萬元相若。物業估值由獨立專業估值師第一太平戴維斯執行，採用的估值方法及資本化率均維持不變。

由於來自出售投資物業的一次性收益大幅減少，股東應佔溢利較上年度下降百分之十四至港幣七十二億一千二百萬元。倘不計入上年度的一次性收益及已出售的投資物業的影響，股東應佔溢利較上年度上升百分之十五。

二零一三年財務狀況

本集團保持雄厚資本，擁有充裕的流動資金和財務資源以履行各項資本承擔以及把握新投資機遇。集團資產淨值增加近百分之六，淨債項股權比率處於百分之零點五的低水平。

由於無錫的恒隆廣場於二零一三年九月開業後由發展中投資物業轉列為投資物業，加上其他已落成物業的估值上升百分之二，因此投資物業價值年內上升百分之十至港幣一千零七十五億八千七百萬元。

Net interest income rose 45% or HK\$122 million to HK\$395 million compared to the previous year. It was partly due to a higher average cash and bank balance and partly attributable to the capitalization of a larger amount of interest expenses relating to projects under development.

The amount of increase in fair value of investment properties in 2013 was HK\$2,482 million, which was similar to that of HK\$2,522 million recorded in the year before. Property revaluation was undertaken by Savills, an independent professional valuer; the valuation methodology and capitalization rates used remain unchanged.

With a much lower one-off gain arising from the disposal of investment properties, profit attributable to shareholders decreased by 14% to HK\$7,212 million compared to the previous year. When excluding the one-off gain and the effect of the investment properties disposed in the previous year, profit attributable to shareholders would increase 15% compared to a year ago.

2013 FINANCIAL POSITION

The Group continued to maintain a strong balance sheet with a high degree of liquidity and financial resources to meet future capital commitments and seize new investment opportunities. Net assets increased by nearly 6% and net debt to equity ratio maintained at a low level of 0.5%.

The value of investment properties rose 10% during the year to HK\$107,587 million as a result of transferring Wuxi Center 66 mall from investment properties under development upon its opening in September 2013 and the 2% gain on revaluation of other completed properties.



財務回顧

Financial Review

發展中投資物業指位於中國內地的多個項目，分布於瀋陽、無錫、天津、大連、昆明及武漢。其總額上升百分之二十四至港幣三百零四億七千八百萬元，主要由於我們以人民幣三十三億元在武漢市購入一幅面積約八萬二千六百五十平方米的黃金地塊，以及為各項目支付施工費。天津的恒隆廣場購物商場將於二零一四年下半年開幕，其他項目均按計劃進行。

待售物業指於結算日時已落成可供出售的住宅單位的成本，其中包括八百五十九個浪澄灣單位、二百七十二個君臨天下單位、十七個碧海藍天單位、兩個君逸山單位及位於跑馬地藍塘道二十三至三十九號即將落成之十八個單位。待售物業價值減少主要由於二零一三年內售出二百七十二個單位所致。

集團於二零一三年十二月三十一日的現金及銀行結餘為港幣三百四十三億二千一百萬元，其中超過百分之九十二為人民幣銀行存款。人民幣存款旨在為以人民幣計價的內地項目的施工費幣值波動風險提供自然對沖，並賺取較港幣為高的利息收益。扣除債項總額港幣三百四十九億七千九百萬元後，集團於二零一三年十二月三十一日的淨債項為港幣六億五千八百萬元，淨債項股權比率為百分之零點五。

Investment properties under development comprised several projects in mainland China including the projects in Shenyang, Wuxi, Tianjin, Dalian, Kunming & Wuhan. Its aggregate value increased by 24% to HK\$30,478 million principally due to the acquisition of a prime lot of about 82,650 square meters in Wuhan for RMB3.3 billion and payment of construction costs in respect of various projects. A new shopping mall, Riverside 66, in Tianjin is scheduled for opening in the second half of 2014. Other projects are progressing as planned.

Properties for sale represent the cost of completed residential apartments available for sale at the balance sheet date. It comprised of 859 units of The Long Beach, 272 units of The HarbourSide, 17 units of Aqua Marine, 2 units of Carmel-on-the-Hill and the near completion of 18 houses located at 23-39 Blue Pool Road in Happy Valley. The amount of properties for sale decreased comparing to the previous year because of the sale of 272 apartments during 2013.

Cash and bank balances as at December 31, 2013 amounted to HK\$34,321 million, over 92% of which was held in RMB bank deposits. The RMB deposits provide a natural hedge against the currency fluctuations of our RMB construction commitments on the Mainland and earn a higher yield than Hong Kong dollar deposits. After deducting total borrowings amounted to HK\$34,979 million, the Group had a net debt balance of HK\$658 million as at December 31, 2013. The net debt to equity ratio was 0.5%.



財務資源及資本承擔

除上述港幣三百四十三億二千一百萬元的現金及銀行結餘外，集團於本年結日擁有的備用承諾信貸總額達港幣七十九億八千一百萬元。另外集團繼續維持中期票據計劃，可發行最大額度相等於三十億美元（約港幣二百三十二億九千萬元）的債券，而截至二零一三年十二月三十一日集團合共發行了港幣七十二億九千萬元債券，故倘情況適合集團可進一步發行港幣一百六十億元的債券。所有已發行的債券之加權平均償還期為八點二年（二零一二年：九點四年）；彼等已發行的債券均沒有評級，票面利率每年介乎二點九五厘至四點七五厘（二零一二年：三點五五厘至四點七五厘）。

集團於結算日的資本承擔總額為港幣四百九十億元，主要為內地的發展中項目並以人民幣計價的建築成本，該等項目需時多年完成。如上文所述，集團擁有充裕的財政實力及多元化的集資渠道以滿足各項資本承諾的資金需要。

集團將繼續採取審慎卓越的財務管理策略，以支持長遠發展。憑藉雄厚的資本和創造現金能力，集團穩佔優越地位，可抓緊新的投資機遇。

FINANCIAL RESOURCES AND CAPITAL COMMITMENTS

In addition to the HK\$34,321 million cash and bank balance as stated above, the Group had committed undrawn banking facilities amounted to HK\$7,981 million at the year end date. The Group also maintained a Medium Term Note (“MTN”) Program which would enable it to issue debt securities up to an equivalent of US\$3,000 million (approximately HK\$23,290 million), of which the Group had issued a total of HK\$7,290 million as at December 31, 2013. The Group could issue a further amount of HK\$16,000 million MTN under the Program if appropriate. The weighted average remaining tenor of all MTN issued was 8.2 years (2012: 9.4 years). All MTN was un-rated and issued with coupon rates ranged from 2.95% to 4.75% (2012: 3.55% to 4.75%) per annum.

Total capital commitments of the Group at year end amounted to HK\$49 billion and they were mainly RMB denominated construction costs in respect of projects under development on the Mainland. Those projects would take many years to complete. As outlined above, the Group has ample financing capacity and multiple channels of raising funds to meet those commitments when they fall due.

The Group will continue to adopt a prudent and sound financial management strategy to support its long-term growth. With a strong balance sheet and cash generation capability, the Group is well positioned to seize new investment opportunities when arise.



風險管理 Risk Management

土地儲備購置及物業發展

恒隆地產在中國內地採取長期增長策略，從而減低短期市場波動及政府政策所帶來的影響。依照這項策略，我們構建及維持穩健的土地儲備以供物業發展。當合適機會出現時，我們小心評估每個項目或地塊的相關風險和回報，包括考慮及評估有關的政府政策、當地政府的支持程度、市場需求情況、經濟數據和周邊的基建配套等因素。若有關項目或地塊符合要求，我們會提交建議書予董事局作最後審批。

當項目進行時，項目團隊小心監察其進度，並評估及審批在設計或施工方面的變動。管理層亦參與監察項目，定期審查其進度，於有需要改動時迅速作出決定。

我們的項目團隊，均具備相關的專業技術和經驗，他們負責向董事局定期提交詳盡報告。

項目成功有賴成本和質量監控，當多項大型發展項目相繼展開時，這些監控尤其重要。管理層於項目的不同階段均嚴格監控成本及篩選承建商和材料供應商，以保持高效的卓越標準。

LAND BANK ACQUISITION AND PROPERTY DEVELOPMENT

Hang Lung Properties has a long-term expansion strategy for mainland China to minimize the effects of short-term market fluctuations and government policies. Under this strategy, we have established and continued to maintain a solid land bank for property development. When the right opportunities arise, we carefully scrutinize each project or parcel of land for related risks and returns. These include consideration and assessment of relevant government policies, the level of local government support, market demand and conditions, and economic data as well as infrastructure support in the neighboring area. If these requirements are met, we will present a proposal to the Board for their final approval.

When a project is underway, our project team closely monitors its progress and evaluates and approves any necessary changes to the design or construction works. Our management also takes part in supervising projects and conducts regular progress reviews. If changes are required, management is thus able to make prompt decisions.

Our skilled and professional project team is also responsible for keeping the Board fully informed through regular and comprehensive reports.

As is the case with any development, cost and quality controls are essential to a project's success. This is particularly important when several large development projects are in the pipeline. Throughout different stages of a project, management will maintain tight controls over its cost and the selection of contractors and material suppliers in order to maintain the high standards of excellence.



內部監控環境

我們維持嚴謹的內部監控機制，以清晰的指引列明定期的管理層檢核、職責分工、財政預算監控、對各種權限級別的規定、告密機制、全體員工和交易夥伴的紀律守則，以及員工的發展和培訓等。

我們堅持良好的企業管治及透明度，清楚列出董事進行證券交易須履行的責任，並規定所有行政人員每半年提交申報書，確認彼等遵守紀律守則內有關「公司股票交易」的規範。

財務風險

我們透過財務政策，竭力把集團面對的各類財務風險減至最低。

(a) 利率及匯率

集團大部分借貸均為浮息銀行貸款，故須面對利率波動。我們密切監察利率風險，於適當時採取措施以管理有關風險，這些措施包括但不限於發行固定利率債券及進行利率調期。

鑒於集團的內地業務和投資均主要以人民幣結算，我們審慎管理人民幣匯率風險，以求取得最大保障。我們的經常性人民幣租金收入為該等投資提供自然對沖，而我們亦持有適量的人民幣資源，以滿足集團現有內地項目的資本需求。

由於集團僅有少量的美元風險淨額，同時在香港聯繫匯率制度下港幣與美元掛鈎，我們認為集團面對的美元匯率風險並不重大。

INTERNAL CONTROL ENVIRONMENT

We adhere to a stringent set of internal controls using well-established guidelines for regular management reviews, segregation of duties, budgetary controls, limits for various levels of authority, a whistle-blowing mechanism, Code of Conduct for both staff and trading partners, and training for staff development.

As part of our commitment to good corporate governance and transparency, we have clearly defined the responsibilities of Directors with regard to security transactions and require all executive staff to submit a signed declaration of compliance with the Code of Conduct regarding “Transactions in the Company’s Shares” on a half-yearly basis.

TREASURY RISK

We have made every effort through our treasury policies to mitigate the various treasury risks to which we are exposed.

(a) Interest Rates and Foreign Exchange

Most of the Group’s borrowings are floating-rate bank loans, which expose us to movements in interest rates. We closely monitor the interest rate risks and when appropriate will adopt measures to manage the associated risks – including but not limited to the issuance of fixed rate bonds and the use of interest rate swaps.

As our business and investments on the Mainland are conducted primarily in Renminbi, we manage our Renminbi exchange rate risks prudently for maximum protection. Our recurring rental turnover in Renminbi provides a natural hedge for these investments. We also maintain an appropriate level of Renminbi resources to meet the Group’s capital requirements for our ongoing projects on the Mainland.

The US Dollar exchange rate risk is considered not significant as our net exposure to the US Dollar is moderate and the HK Dollar is pegged to the US Dollar under the prevailing pegged rate regime in Hong Kong.



風險管理

Risk Management

(b) 現金管理、融資及流動資金

集團從整體企業層面管理和監控其現金和融資，確保我們可爭取較佳的借貸條件及統一管理財務風險。

為依時履行債務承擔，集團確保擁有足夠資金和銀行貸款額度，並維持多元化集資渠道。同時，我們小心規劃存款和貸款的到期日，以減低流動性風險。年內，我們透過安排長期銀行貸款及發行長期債券，將集團的平均債務還款期延長。在中期票據計劃下，我們可彈性地於有需要時在債券市場進行融資。集團密切留意市場動態，審慎管理再融資風險。

(c) 信貸／交易對手

信貸／交易對手風險主要涉及應收租金、物業銷售相關的應收分期付款，以及存放在銀行的存款。

為減輕應收租金的風險，我們對準租戶仔細作出信用評估，並會收取租金按金，同時密切監察租金的拖欠情況。我們持有相關物業作為抵押，以保障物業銷售有關的應收款項。我們對每間銀行的存款均設有限額，避免過度集中存款所帶來的風險。銀行存款並只存放在財力雄厚及／或擁有高度信貸評級的銀行。

(d) 使用衍生工具

我們僅使用衍生工具以對沖金融風險，集團政策絕不容許投機性的衍生工具交易。

(b) Cash Management, Funding and Liquidity

The Group's cash and financing are managed and controlled at the corporate level. This enables us to negotiate better borrowing terms and practice coherent financial risk management.

To meet our obligations as and when needed, the Group maintains sufficient funds, banking facilities and multiple fund raising channels. The maturity of deposits and loans is carefully planned and managed to reduce liquidity risk. During the year, we lengthened the average debt maturity of the Group through the arrangement of long-term loan facilities and issuance of long-dated bonds. Our Medium Term Note Program gives us the flexibility to tap the bond market if necessary. The Group closely monitors the markets to manage the refinancing risks in a prudent manner.

(c) Credit/Counterparty

Credit/counterparty risk exposure is primarily in the areas of rents receivable, installments receivable relating to property sales, and deposits placed with banks.

We undertake careful credit assessments of prospective tenants, collect rental deposits and closely monitor outstanding rents in order to mitigate rents receivable risk. We also protect receivables related to property sales by using properties as collateral. Bank exposure limits are assigned so that we can mitigate concentration risks on our deposits, which are only made with banks that have sound financial strength and/or good credit ratings.

(d) Use of Derivatives

We use derivative instruments for hedging purpose only; the Group's policies do not permit derivative transactions for speculative purposes.



業務和經營風險

我們密切監察市場趨勢和營商環境，確保旗下物業保持競爭優勢及最高標準，並透過定期保養及翻新，確保物業安全及保持質量。為保護集團資產，我們聘用專業人士監察各項大型維修和翻新工程的設計、進度及資本開支，向不同部門高級管理層代表組成的資產增值委員會定期匯報。我們並為物業購買合適保險，以確保發生意外及/或其他損失時獲得保障，同時我們設有內部監控機制保護集團的資產和聲譽免受任何潛在損失。

除這些監控外，我們設有獨立的內部審計部，定期審查集團的主要業務以及財務和營運監控機制，確保運作有效無誤。作為集團危機管理計劃的一部分，我們亦已制定各項預防及應急措施，保障集團的業務免受潛在損失或損害所影響。

作為環球企業公民，我們克盡己任。可持續發展是集團旗下所有物業在設計和興建過程中考慮的重要因素。我們秉持「只選好的 只做對的」方針，不囿於僅符合相關法則的最低要求，力臻至善確保旗下物業達至高水平的環保標準。

人才風險

透過提名及薪酬委員會，我們確保集團董事及高級管理層的薪酬水平具有市場競爭力。委員會亦制定了管理層繼任機制，確保集團業務持續運作。

企業成功有賴人才。為吸引並保留精英僱員，我們緊貼市場薪酬趨勢以評核員工的薪酬待遇，並為員工提供培訓或資助他們修讀認可的專業課程，藉此協助他們發揮最大潛能。為鼓勵員工進行雙向對話，我們為各級員工提供明確的溝通及申訴渠道。當員工離職時，我們與其進行面談，收集相關資料以作進一步改善。

BUSINESS AND OPERATIONAL RISK

We ensure our properties remain competitive and up to the highest standards by closely monitoring market trends and the business environment. Regular maintenance and renovation help us uphold the safety and quality of our properties. To protect the Group's assets, we employ seasoned professionals who oversee the design, progress and capital expenditures of major maintenance and renovation projects. They report to an Asset Enhancement Committee of senior management representatives from different departments. Together with appropriate insurance coverage against accidental losses and/or other hazards, we have established internal controls to safeguard our assets and reputation against any potential liabilities.

In addition to these controls, we have an independent internal audit team who reviews key activities of the Group and ensures all material controls, including financial and operational, are functioning effectively. As part of the Group's crisis management plan, precautionary and contingency measures are also in place to ensure the Group is protected against any potential loss, damage or impact to our operations.

As a global corporate citizen, we have a duty to act responsibly. We place a high priority on sustainability in design and construction of new buildings. Guided by our We Do It Right principle, we not only meet minimal regulatory requirements but go beyond them to ensure our properties meet the high level of environmental standards.

PEOPLE RISK

Through our Nomination and Remuneration Committee, we ensure the Group's remuneration levels for Directors and senior management are competitive in the market. This Committee has also established a management succession plan to ensure the continuity of our operations.

Our success as a business depends on the caliber of our people. In order to attract, motivate and retain talented employees, we evaluate our employee remuneration packages and monitor them against market trends. We also provide training or financial support for additional training through recognized professional programs to help our staff reach their full potential. To encourage two-way staff dialogue, we have clearly-established channels of communication and a grievance reporting system in place for all levels of staff. When staff depart, we conduct exit interviews to gather feedback and suggestions for future improvement.



公司摘要

Company Highlights

2013

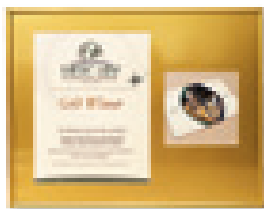
二月 FEBRUARY

- 成功投得武漢黃金地塊，首次進駐華中地區

Successful land acquisition in Wuhan marks Hang Lung's first entry into central China

- 二零一二/二零一三 MERCURY Awards「年報整體表現—地產發展組別」金獎

2012/2013 MERCURY Awards: Gold Award in the category of Annual Reports – Overall Presentation: Property Development

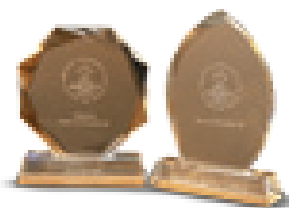


三月 MARCH

- 《亞洲企業管治》雜誌二零一三年度第三屆亞洲卓越表揚大獎「最佳投資者關係公司(香港)」

The 3rd Asian Excellence Recognition Awards 2013: Best Investor Relations Company (Hong Kong) by *Corporate Governance Asia*

- 恒隆地產董事總經理陳南祿先生獲選為「亞洲最佳行政總裁(投資者關係)」之一
- Mr Philip Chen, Managing Director of Hang Lung Properties: Asia's Best CEO (Investor Relations)



五月 MAY

- 濟南的恒隆廣場在國際購物中心協會二零一三年度 VIVA (視野、創意、價值與成就) 終極大獎中，摘下「可持續設計及發展組別」的「世界最佳」殊榮

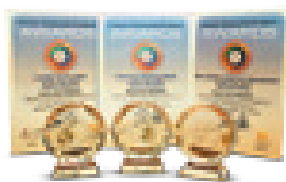
Parc 66, Jinan: 2013 VIVA (Vision, Innovation, Value and Achievement) Best-of-the-Best Award for Sustainable Design and Development by the International Council of Shopping Centers



六月 JUNE

- 二零一二年度亞太傑出顧客服務獎選舉「最佳人力發展計劃」(物業發展)、「最佳顧客服務中心」(物業發展)及「最佳顧客體驗」(住宅項目)三個大獎

2012 Asia Pacific Customer Relationship Excellence Awards: People Development Program of the Year (Property Management), Customer Service Center of the Year (Property Management), and Best Customer Experience Management of the Year (Residential Building)



- 《亞洲企業管治》雜誌二零一三年度亞洲企業管治大獎—亞洲最佳選舉「企業管治典範」殊榮

The Best of Asia – Corporate Governance Asia Recognition Awards 2013: Icon on Corporate Governance by *Corporate Governance Asia*

- 恒隆地產董事總經理陳南祿先生獲頒發「亞洲企業董事嘉許大獎」

Mr Philip Chen, Managing Director of Hang Lung Properties: Top winner in the Asian Corporate Director Recognition Awards 2013

- 《金融亞洲》雜誌二零一三年度「最佳企業管治」及「最佳企業社會責任」公司

Asia's Best Companies Poll 2013: Best Corporate Governance and Best Corporate Social Responsibility by *FinanceAsia*

七月 JULY

- 昆明的恒隆廣場(購物商場及辦公樓)獲美國綠色建築協會「能源及環境設計先鋒獎—核心及外殼組別」金獎預認證

Spring City 66 (Shopping Mall and Office), Kunming: Precertification under the Leadership in Energy and Environmental Design (LEED) for Core and Shell Development – Gold Level by the U.S. Green Building Council

- 推出員工新制服
- Launch of new uniforms



八月 AUGUST

- 渣打銀行大廈及山頂廣場分別獲香港綠色建築議會綠建環評 (BEAM Plus) 1.2版(既有建築)暫定金級認證及綠建環評 1.1版(既有建築)暫定銀級認證

The Standard Chartered Bank Building and The Peak Galleria: Gold Rating of Provisional Assessment under the BEAM Plus V1.2 for Existing Building and Silver Rating of Provisional Assessment under the BEAM Plus V1.1 for Existing Building by the Hong Kong Green Building Council



九月 SEPTEMBER

十月 OCTOBER

十一月 NOVEMBER



■ 無錫的恒隆廣場隆重開幕
Grand Opening of Center 66, Wuxi

■ 大連的恒隆廣場在二零一三年度新興市場城市景觀建築大獎中，奪得「零售項目 — 未來」組別的最高殊榮
Olympia 66, Dalian: Top honor in 2013 Cityscape Awards for Emerging Markets in the category of Retail Project Awards – Future

■ 浪澄灣項目再度開售
Re-launch of The Long Beach for public sale

■ 大連的恒隆廣場主體結構封頂
Topping-out of the major structure of Olympia 66, Dalian

■ 武漢的恒隆廣場舉行開工剪綵儀式
Groundbreaking Ceremony for Heartland 66, Wuhan

■ 香港管理專業協會二零一三年度最佳年報獎「工商企業」組別優異年報獎

Honourable Mention in the General Category of 2013 Best Annual Reports Awards by Hong Kong Management Association



十二月 DECEMBER

■ 二零一三年度 GALAXY Awards 「年報整體表現 — 房地產投資組別」銀獎
2013 GALAXY Awards: Silver Award in the category of Annual Reports – Overall Presentation: Real Estate Investment

■ 公司秘書、總法律顧問及助理董事 — 集團事務蔡碧林女士，在二零一三年度第一屆亞洲公司秘書表揚大獎中，贏得「年度最佳亞洲公司秘書」的榮譽
Ms Bella Chhoa, Company Secretary, General Counsel and Assistant Director – Corporate Affairs of Hang Lung Properties: Asian Company Secretary of the Year in the 1st Asian Company Secretary of the Year Recognition Awards 2013

■ 《財資》雜誌「二零一三年度財資3A企業大獎」金獎
The Asset Triple A Corporate Awards 2013: Gold Award by *The Asset*



■ 「藍塘道23-39」於第十屆透視設計大賞中，贏得專業組最佳建築作品優異獎
23-39 Blue Pool Road, Hong Kong: Certificate of Excellence in Architecture (Best Residential) in the professional category in the 10th Perspective Awards



■ 「藍塘道23-39」獲美國綠色建築協會「能源及環境設計先鋒獎 — 住宅」金獎認證
23-39 Blue Pool Road, Hong Kong: Certification under the Leadership in Energy and Environmental Design (LEED) for Homes – Gold Level by the U.S. Green Building Council

■ 無錫的恒隆廣場於第十五屆中國國際房地產與建築科技展覽會中，奪得商業建築設計優勝獎（購物中心類）
Center 66, Wuxi: Commercial Building Design Excellence Award (Mall Category) at the 15th China International Real Estate Architectural Technology Fair

■ 天津的恒隆廣場在天津市權威網絡媒體北方網的評選活動中，榮膺「最值得期待商場」
Riverside 66, Tianjin: The Most Desired Shopping Mall by Enorth, an authoritative online media outlet in Tianjin



惠澤社群

COMMITTED TO SUSTAINABILITY

我們作為良好的企業公民，對員工、社會及環境責無旁貸。我們悉力以赴，不僅因著關愛企業之名，更因為這是正確之舉。

As a good corporate citizen, we are mindful of our obligations to our staff, the community and the environment. We act responsibly to maintain our reputation as a caring company and, more importantly, because it is the right thing to do.







可持續發展 Sustainable Development

恒隆在可持續發展上，貫徹「只選好的 只做對的」方針。也就是說，我們於業務所在地追求經濟和社會進步之同時，亦務求減少旗下發展和管理的物業對環境的影響。我們諮詢持份者的意見，確保達至他們對可持續發展的期望和願景，並建立了新的架構，更有效地收集相關數據，有助我們繼續提升在可持續發展方面的表現。

Being committed to sustainable development is how We Do It Right at Hang Lung. This means continuously striving to achieve economic and social progress in the communities in which we operate while mitigating the environmental impact of the buildings we develop and manage.

We consult our stakeholders to ensure that we meet their expectations and aspirations on sustainability and have established a new framework for collecting information on our sustainability performance to allow us to make continuous improvement.

我們的物業

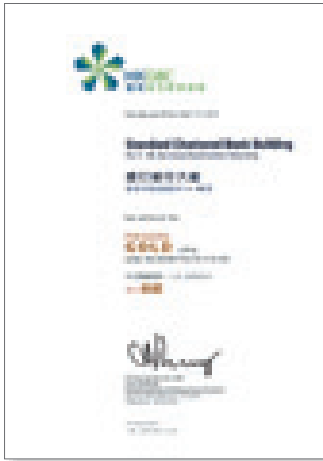
秉承我們的長遠營運模式 — 建造可恆久持有的建築物，我們旗下在香港和中國內地的項目均採納了可持續發展的高水平環保標準。我們相信，以國際標準作為這些建築物的環保表現準則，可確保集團在任何業務地區所設計、興建及管理的物業，均達到一致的高水平環保標準。

我們位於跑馬地藍塘道的住宅項目「藍塘道 23-39」，於二零一三年獲美國綠色建築協會「能源及環境設計先鋒獎 — 住宅」金獎認證；渣打銀行大廈獲香港綠色建築議會綠建環評 (BEAM Plus) 1.2版 (既有建築) 的暫定金級認證，是全港首幢獲得是項認證的既有建築物；同時，山頂廣場亦獲得綠建環評 1.1版 (既有建築) 的暫定銀級認證。

OUR BUILDINGS

Reflecting our long-term business model of building to own and building to last, we incorporate the high standard of environmental sustainability in our projects in Hong Kong and mainland China. We believe that benchmarking our buildings' environmental performance against international standards enables the Group to maintain the same high environmental standards when designing, building and managing our properties wherever we operate.

In 2013, we received the Gold Level certificate under the Leadership in Energy and Environmental Design (LEED) for Homes from the U.S. Green Building Council for our residential project, 23-39 Blue Pool Road, at Blue Pool Road, Happy Valley. We also received the Gold Rating of Provisional Assessment under the BEAM Plus EB version 1.2 of the Hong Kong Green Building Council (HKGBC) for our Standard Chartered Bank Building, which is the first existing building in Hong Kong to achieve this recognition. The Peak Galleria also achieved the Silver Rating of Provisional Assessment under the BEAM Plus EB version 1.1.



香港綠色建築議會綠環評 (BEAM Plus) 認證，肯定了恒隆在投放資源提升渣打銀行大廈環保表現的努力
The recognition of BEAM Plus by HKGBC endorses the efforts that Hang Lung has made in constantly enhancing the environmentally-friendly qualities of the Standard Chartered Bank Building



恒隆在旗下物業設置廢物分類設施，鼓勵租戶及顧客參與廢物回收
Waste segregation facilities are set up in our properties to encourage tenants and customers to participate in waste recycling

鑑於建築物用電量佔全港總用電量約九成，集團重視提升旗下物業的能源效益。《建築物能源效益條例》於二零一二年全面實施，規定香港所有新建築物必須符合更嚴格的要求。因應該條例，我們以二零一零年的數據為基準，為全部物業設下了在二零一五年節省百分之五用電量的目標，從而確保我們能夠提升能源效益及持續改進。截至二零一三年底，我們較二零一零年已減少了百分之二的用電量，向目標邁進一步。

With around 90% of total electricity consumption in Hong Kong contributed by buildings, the Group recognizes the importance of enhancing energy efficiency in our properties. In 2012, the Buildings Energy Efficiency Ordinance came into full operation in Hong Kong requiring all newly constructed buildings to comply with more stringent requirements. In response to the Ordinance, we set a target of reducing our electricity consumption by 5% in 2015 based on the 2010 baseline to ensure that we achieve greater energy efficiency in buildings and that continuous improvement is made. As of the end of 2013, we are on track to meeting this target with a 2% reduction in electricity consumption as compared to the 2010 baseline.

我們深明社會日益關注固體廢物的處理，故為旗下物業引入廢物分類設施，我們更規定提供廢物收集服務的承包商須提供有關數據，以便租戶更有效地管理固體廢物。二零一三年內，我們在旗下物業合共收集了三千六百四十一噸不同種類的物料，用作循環再造。我們並計劃於二零一四/二零一五年度，把此項措施延伸至中國內地的項目。二零一三年內，我們旗下物業推出了熒光燈管回收試驗計劃。我們亦正研究回收玻璃瓶和鋁罐，以及在山頂廣場安裝廚餘堆肥設施，目標是在二零一四年落實推行，其他香港和中國內地物業亦計劃在二零一六年落實各項回收計劃。

Recognizing that waste is a pressing issue for the community, we are supporting our tenants in managing their waste more effectively by introducing waste segregation facilities at our properties and requiring our waste contractors to provide data on waste collected. In 2013, 3,641 tonnes of materials were collected in our properties for recycling. We plan to extend this initiative into mainland China in 2014/2015. In 2013, we introduced a pilot scheme for recycling fluorescent light tubes across our business. We are also examining the feasibility of recycling glass bottles and aluminum cans. In addition, we are exploring installing food waste composer in The Peak Galleria. We aim to implement these initiatives by 2014 and plan to extend our recycling efforts across other properties in Hong Kong and mainland China by 2016.



可持續發展 Sustainable Development



管理培訓生計劃已連續推行九年，致力培育專業人才以滿足公司未來需要
The Management Trainee Program has been organized for the ninth consecutive year to constantly build a pool of talents and professionals to meet the future needs of the Company

我們的人才

人才乃恒隆地產最寶貴的資產，亦是我們賴以維持業務增長及持續發展的重要元素。我們為員工提供一系列培訓及發展計劃，讓他們盡展所長。同時亦根據各地員工的意見來提供培訓機會，確保切合員工的期望及集團的業務需要。二零一三年內，我們為員工提供的培訓時數達五萬六千二百九十七小時。

年內，我們將員工參與放在更重要的層面，全面貫徹可持續發展的承諾。「恒隆綠事辦」於二零一三年八月成立，在香港和中國內地辦公室選出環保大使，全力推動智「綠」工作間，每個辦公室每年須完成不少於二十項綠色行動。



「恒隆綠事辦」在二零一三年成立，鼓勵同事將環保行動融入日常工作
The Hang Lung Green Office initiative was launched in 2013 to encourage colleagues to implement green practices in the workplace

OUR PEOPLE

People are the most precious asset of Hang Lung and the key to realizing our business and sustainability vision. We provide a range of training and development programs for our staff to grow their professional development. We provide training opportunities based on employees' feedback from across the Company to ensure that the training meets the aspirations and expectations of our staff, as well as the needs of our business. In 2013, a total of 56,297 hours of training were delivered.

During the year, we placed a greater emphasis on ensuring that our employees are fully on board with our sustainable development commitment. We introduced the Hang Lung Green Office initiative in August 2013 with the aim of promoting a SmartGreen workplace. Under the initiative, Green Office Ambassadors are nominated in our Hong Kong and mainland China offices to promote and drive forward this initiative. Each of our offices has to fulfill no less than 20 green actions on its task list annually.



員工年內亦到位於香港的全球首間同時獲得三項鉑金級環保建築認證的酒店作實地考察，了解如何將環保設計及技術更佳地應用到物業中。

An educational tour was organized for our employees during the year at a hotel in Hong Kong, the first high-rise building in the world to achieve the Triple Platinum of Green Certificates, to further understand how we can do better in incorporating environmental designs and practices in our properties.

為切合員工的期望，我們積極聽取員工的意見，並透過員工大會、部門會議、大型會議和座談會等渠道，定期與員工溝通。「與董事總經理午間共聚」活動亦讓更多前線員工接觸管理層。為進一步促進同事的互動交流，我們於二零一三年推出了全新的內聯網，除了提供更清晰的版面外，亦強化了各項功能，為同事提供嶄新體驗。

Receiving feedback from employees is crucial to ensuring that we are meeting their expectations. We engage regularly with our staff through our Town Hall, departmental and team meetings, conferences, focus groups and the “Long Service Employees Lunch with Managing Director” at which junior staff are able to have informal gatherings with the Managing Director. To further improve communications and connections among colleagues, the Company’s intranet was revamped in 2013 with a brand new look and enhanced functions to bring refreshing user experiences to colleagues.

除了舉辦定期交流活動外，我們亦進一步緊貼員工的需要，於年內為香港和中國內地的前線員工推出新制服以配合不同崗位的員工所需，員工和客戶對新制服反應良好。

In addition to regular engagement activities, we also engaged with our employees during the year when revamping the uniforms for our frontline colleagues in Hong Kong and mainland China to ensure that they suited the needs of our staff in different areas of our business. The feedback on the new uniforms from both our staff and customers has been positive.



管理層透過員工大會，促進與員工的雙向溝通
Mutual communication with staff is encouraged by senior management through Town Hall meetings



藝人陳豪走上天橋，演繹恒隆前線員工的全新制服
Celebrity Moses Chan is invited to display the new uniforms in a fashion show



可持續發展 Sustainable Development



藝人薛家燕和恒隆義工與長者合力烹調賀年菜式，慶祝新春佳節
Volunteers and celebrity Nancy Sit make a festive dish with the elderly to celebrate Chinese New Year

我們的社區

我們深明地產業務與當地社區息息相關，因此十分重視旗下物業對社區帶來的影響。在物業施工期間，我們設有熱線電話，確保我們及時回應大眾的查詢。而當我們在富有歷史或文化價值的地區發展項目時，亦盡力與社區人士合作進行保育和活化工作。

在關顧社會方面，我們除提供金錢捐助外，旗下物業亦免費提供場地，以支持各類慈善活動。二零一三年內，我們直接捐款港幣一千六百萬元以支持不同類型的慈善工作，而「恒隆一心義工隊」亦繼續積極服務社群，並以環保、青少年發展和老人服務為重點。在二零一三年，我們在香港和中國內地的義工隊的義務工作時數超過六千四百小時，較二零一二年增加百分之六十六。

OUR COMMUNITY

We recognize the importance of considering the impact that our business has on local communities throughout the life cycle of our buildings. During the construction of buildings, we set up telephone hotlines to respond to public enquiries in a timely manner. In areas of significant historical or cultural interest in our development projects, we work with the community to preserve or revitalize them as much as we can.

In our community involvement, we provide financial donations and offer free space in our properties to support a range of charitable activities. In 2013, we donated HK\$16 million to support various charitable causes. Our volunteer team, Hang Lung As One, continues to serve the community enthusiastically, targeting the environment, youth development and elderly services. In 2013, our volunteers in Hong Kong and mainland China contributed over 6,400 hours in voluntary services, a 66% increase compared to 2012.



與持份者建立關係

我們需要與持份者建立互信及高效的合作關係，因此通過各個平台與持份者保持溝通。承接之前一年的工作，我們於年內繼續向外界持份者進行獨立諮詢，以便更全面地了解持份者對我們的期望，以及彼此如何攜手實現可持續發展目標。今年參與計劃的外界持份者包括租戶和投資者，其意見有助集團在可持續發展方面提升表現及制定本年的可持續發展報告。

第二份可持續發展報告

為貫徹對持份者的承諾，我們今年繼續以誠信和透明度為本，發表我們第二年獨立成刊的可持續發展報告。我們於二零一三年內投入了很多時間以建立一個更有效的系統，精簡數據收集程序，並為持份者提供一個更全面的可持續發展表現回顧。此舉讓我們精益求精，找出可改進之處以及向持份者提供更全面的資料。

有關我們的可持續發展工作詳情，請參閱我們的二零一三年可持續發展報告。

OUR ENGAGEMENT WITH STAKEHOLDERS

Recognizing the need to build trusting and productive relationships with our stakeholders, we engage regularly with them through various communication platforms. During the year, we built on last year's exercise and carried out an independent engagement with external stakeholders to gain a more comprehensive view of what stakeholders expect from us and how we can work together to achieve our sustainability goals. External stakeholders engaged this year included tenants and investors. Their feedback is constructive in enabling the Group to further strengthen our sustainability performance and in shaping the content of this year's Sustainability Report.

OUR SECOND SUSTAINABILITY REPORT

This year marks the second year in which we publish a standalone Sustainability Report to fulfill our commitment to honesty and transparency to stakeholders. We spent much of 2013 establishing a more effective system of streamlining our data collection process to provide a more comprehensive review of our sustainability performance to our stakeholders. Through this exercise, we are now able to identify areas where we can do better and further strengthen both our performance and disclosure to stakeholders.

Please refer to our Sustainability Report 2013 for more details on our sustainability performance.



「恒隆一心義工隊」舉辦多元化活動，服務不同社群
The Hang Lung As One volunteer team serves the community by organizing diversified activities



「恒隆綠先鋒」計劃向學生宣揚保護環境的訊息
The Hang Lung Green LEEDers program teaches students the importance of environmental protection



財務日誌

Financial Calendar

2013

七月 JUL

中期業績公佈
Announcement of interim results

二零一三年七月三十一日
July 31, 2013

九月 SEP

派發中期股息
Interim dividend paid

二零一三年九月二十六日
September 26, 2013

2014

一月 JAN

全年業績公佈
Announcement of annual results

二零一四年一月二十三日
January 23, 2014

四月 APR

截止辦理股份過戶
(就出席股東週年大會及於會上投票而言)
Latest time for lodging transfers
(for attending and voting at annual general meeting)

二零一四年四月十七日
下午四時三十分
4:30 p.m. on April 17, 2014

暫停辦理股份過戶登記
(就出席股東週年大會及於會上投票而言)
Closure of share register
(for attending and voting at annual general meeting)

二零一四年四月二十二日至二十四日
(首尾兩天包括在內)
April 22 to 24, 2014
(both days inclusive)

股東週年大會
(細節請參閱本年報附上之股東週年大會通告)
Annual general meeting
(Details are set out in the notice of annual general meeting
accompanying this annual report)

二零一四年四月二十四日
上午十時正
10:00 a.m. on April 24, 2014

截止辦理股份過戶(就末期股息而言)
Latest time for lodging transfers (for final dividend)

二零一四年四月二十九日
下午四時三十分
4:30 p.m. on April 29, 2014

暫停辦理股份過戶登記(就末期股息而言)
Closure of share register (for final dividend)

二零一四年四月三十日
April 30, 2014

五月 MAY

派發建議之末期股息
Proposed final dividend payable

二零一四年五月十五日
May 15, 2014



企業管治報告

Corporate Governance Report

堅持管治信念

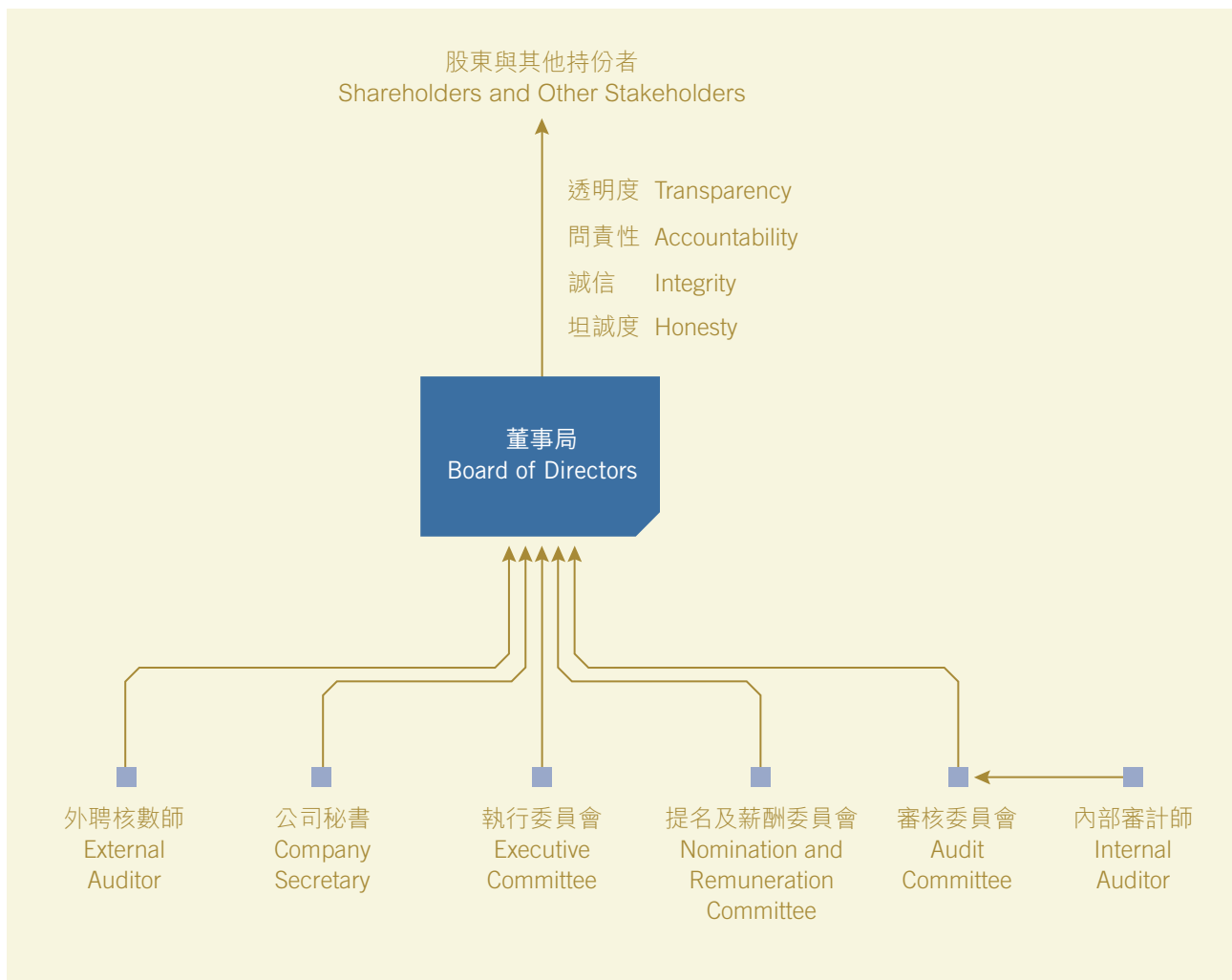
恒隆堅信，強而有力的管治能為我們奠定基石，使我們可達成企業目標，為持份者提供最大的長期回報。能幹稱職的董事局（「董事局」），是我們管治架構裏的核心。他們致力維持高水平的企業管治標準、健全的內部監控機制，以及有效的風險管理，並積極提高透明度、問責性、誠信及坦誠度，努力贏取股東和其他持份者的信心。

OUR STRONG BELIEF IN GOVERNANCE

Hang Lung firmly believes that strong governance is the foundation for delivering the corporate objective of maximizing return to its stakeholders over the long term. The core of the governance structure is an effective and qualified Board of Directors (the “Board”) which is committed to maintaining a high standard of corporate governance, sound internal controls and effective risk management to enhance transparency, accountability, integrity and honesty, in order to earn the confidence of our shareholders and other stakeholders.

企業管治架構

CORPORATE GOVERNANCE STRUCTURE





企業管治報告

Corporate Governance Report

卓越企業文化

良好的管治是企業成功之本，故企業管治在本集團的文化中扮演核心角色。良好的管治文化須植根於每個職級。管理層與董事局努力建立內部和外部監控機制確保良好的企業管治文化，以持份者的利益為依歸。

專業專責團隊

董事局由社會多個範疇的專業人士組成，他們為董事局帶來豐富的商務和財務經驗及專才。執行董事與非執行董事在董事局中佔均衡比重，使董事局擁有強大的獨立元素，能有效地作出獨立判斷。為加強功能，董事局成立了三個董事局委員會，包括執行委員會、審核委員會和提名及薪酬委員會，負責不同的工作。

審慎管理風險

本集團明白旗下業務面對各類風險因素，並以專業方式作出管理。我們建立良好的內部監控機制，並持續作出改善，以適應不斷變化的營運需要。詳情於下文及本年報之管理層之討論及分析中標題為「風險管理」之段落內作進一步披露。

A SOUND CORPORATE CULTURE

As good governance is essential to corporate success, we instill the core principle of good corporate governance into our corporate culture. A sound governance culture has to reach all levels. The management together with the Board strive to build up controls internally as well as externally to ensure a good corporate governance culture which will benefit all stakeholders.

PROFESSIONAL AND RESPONSIBLE MANAGEMENT

The Board comprises professionals from different facets of society who bring a wide range of business and financial experience and expertise to the Board. The Board includes a balanced composition of Executive and Non-Executive Directors so that there is a strong independent element on the Board which can effectively exercise independent judgment. To enhance the function of the Board, three Board Committees, namely the Executive Committee, Audit Committee and Nomination and Remuneration Committee had been set up to take up different responsibilities.

PRUDENT RISK MANAGEMENT

The Group recognizes the various risk factors it will face in its operations, and properly deals with them in a manageable manner by setting a good internal control environment and making continuous improvements to suit changing operational needs. Further explanations are disclosed hereunder and under the paragraph headed “Risk Management” in the Management Discussion and Analysis of this annual report.



以下為我們的企業管治常規在香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十四《企業管治守則》所載之守則條文及若干建議最佳常規以外的主要範疇。

The following are the major aspects of our corporate governance practice in addition to the code provisions and some recommended best practices of the Corporate Governance Code (the “CG Code”) as stated in Appendix 14 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

- 董事局於二零一三年舉行了六次定期會議。

Six regular Board Meetings were held in 2013.

- 由於過半數董事均為獨立非執行董事，董事局擁有強大的獨立元素。

A strong independent element is maintained on the Board as over half of the Board is represented by Independent Non-Executive Directors.

- 在適當情況下管理層會被邀請出席董事局會議提供適當的資料，使董事能夠在掌握有關資料的情況下作出決定，並能履行其作為本公司董事的職責及責任。

Management is invited to join the Board Meetings, where appropriate, to provide appropriate information to enable the Directors to make an informed decision and to discharge their duties and responsibilities.

- 提名及薪酬委員會的所有成員均為獨立非執行董事，以確保並無任何執行董事參與釐訂彼等各自的薪酬待遇。

The Nomination and Remuneration Committee comprises only Independent Non-Executive Directors to ensure no Executive Director is involved in deciding his own remuneration package.

- 於二零一三年，審核委員會在沒有執行董事局成員列席的情況下，與外聘核數師舉行四次會議。

The Audit Committee met the external auditor four times without the presence of the Executive Board members in 2013.

- 自二零零八年起，公司於會計期結束後一個月內公佈中期和全年業績。

Since 2008, the Company has announced its interim and annual results within one month from the end of the accounting period.

- 公司設有內部審計部，該部門獨立於本公司之日常運作及會計職務。

Our Internal Audit Department is independent of our daily operation and accounting functions.

- 公司自一九九四年起，採納一套適用於所有僱員及董事的企業紀律守則。該守則載有我們的舉報政策。

The Company has adopted a corporate Code of Conduct since 1994, which is applicable to all staff and Directors. The Code of Conduct contains our whistle-blowing policy.

- 於聯交所推出《環境、社會及管治報告指引》作為建議常規（適用於截至二零一二年十二月三十一日後之財政年度）之前，公司已刊發獨立的可持續發展報告。公司及香港交易及結算所有限公司（「香港交易所」）之網頁均載有該獨立的可持續發展報告，以供瀏覽。

The Company has been publishing a separate Sustainability Report before the Stock Exchange’s introduction of the Environmental, Social and Governance Reporting Guide as a recommended practice for the financial years ending after December 31, 2012. The standalone Sustainability Report is available on our website and the website of Hong Kong Exchanges and Clearing Limited (“HKEx”).

- 公司持續加強網站之使用，作為與持份者溝通的渠道，網站內亦載有主要的企業管治架構、公司刊物及網上廣播分析員簡報會，以供瀏覽。

The Company continuously enhances its website as a means of communication with stakeholders. Principal corporate governance structures, newsletters and webcasts of analysts’ briefings are available on our website.



企業管治報告

Corporate Governance Report

(一) 董事局

1. 組成及功能

董事局現有十名成員：

- 三名執行董事，分別為陳啟宗先生、陳南祿先生及何孝昌先生；
- 一名非執行董事，為袁偉良先生；及
- 六名獨立非執行董事，分別為殷尚賢先生、夏佳理先生、鄭漢鈞博士、陳樂怡女士、廖柏偉教授及何潮輝先生。彼等均具備適當之學術及專業資格或相關之財務管理專才，並以其豐富的商務及財務經驗為董事局作出貢獻。

董事局已制定政策載列落實董事局多元化之方針（「董事局成員多元化政策」），目的為提升董事局效率及企業管治水平，實現集團業務目標及可持續發展。公司會從多個方面考慮董事局成員多元化，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、所需專才、技能、知識及服務任期。現時董事局由多元化董事局成員組成，切合本公司的業務要求，並將根據不斷增長的業務需求和人力資源市場的供求情況，考慮適當及合資格人選。

公司及香港交易所之網頁提供最新的董事局成員名單，列明其角色和職能，以及註明其是否獨立非執行董事。董事的履歷詳情於本年報第一百二十六至第一百三十二頁內披露，並設存於本公司網頁。

董事局負責（當中包括）：

- 確保領導層之連續性；
- 設定卓越之業務策略；
- 確保資金和管理資源足以應付業務策略之推行；及
- 確保財務及內部監控系統健全，業務運作符合適用之法律及規定。

(I) The Board

1. Composition and Functions

The Board currently comprises ten persons:

- three Executive Directors, namely, Mr Ronnie C. Chan, Mr Philip N.L. Chen and Mr H.C. Ho;
- one Non-Executive Director, Mr Nelson W.L. Yuen; and
- six Independent Non-Executive Directors, namely, Mr S.S. Yin, Mr Ronald J. Arculli, Dr H.K. Cheng, Ms Laura L.Y. Chen, Prof P.W. Liu and Mr Dominic C.F. Ho. They possess appropriate academic and professional qualifications or related financial management expertise and have brought a wide range of business and financial experience to the Board.

The Board has established a policy setting out the approach to achieve diversity on the Board (the “Board Diversity Policy”) with the aims of enhancing Board effectiveness and corporate governance as well as achieving our business objectives and sustainable development. Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, required expertise, skills, knowledge and length of service. The current Board consists of a diverse mix of Board members appropriate to the requirement of the business of the Company, and depending on the growing business needs and availability of the human resources market, suitable qualified individuals will be considered.

An updated list of Board members identifying their roles and functions and whether they are Independent Non-Executive Directors is maintained on our website and the website of HKEx. Their biographical details, disclosed on pages 126 to 132 of this annual report, are also maintained on our website.

The Board is responsible for, among other things:

- ensuring continuity of leadership;
- development of sound business strategies;
- availability of adequate capital and managerial resources to implement the business strategies adopted; and
- adequacy of systems of financial and internal controls and conduct of business in conformity with applicable laws and regulations.



非執行董事（包括獨立非執行董事）透過提供獨立、富建設性及有根據的意見對本公司制定策略及政策作出正面貢獻。彼等亦定期出席董事局會議及其同時出任委員會成員的委員會會議，並積極參與會務，以其技能、專業知識及不同的背景及資格作出貢獻。

所有董事必須向本公司披露其於公眾公司或組織擔任的職位及其他重大承擔。

於二零一三年，董事局舉行了六次定期會議，其中三次會議在造訪行程中舉行，包括出席無錫恒隆廣場開幕典禮及武漢恒隆廣場開工剪綵儀式。

董事於二零一三年出席各類會議的記錄詳情如下：

Non-Executive Directors (including the Independent Non-Executive Directors) have made a positive contribution to the development of the Company's strategies and policies through independent, constructive and informed comments. They gave the Board and the Committees on which they serve the benefit of their skills, expertise and varied backgrounds and qualifications through regular attendance and active participation.

All Directors are required to disclose to the Company their offices held in public companies or organizations and other significant commitments.

In 2013, six regular Board Meetings were held. Three Board Meetings were held during three offsite Board trips including visits to Wuxi for the opening ceremony of Center 66 and Wuhan for the groundbreaking ceremony of Heartland 66.

Details of Directors' attendance records in 2013 are set out below:

董事	Directors	出席/舉行會議 Meetings Attended/Held			
		董事局 Board	審核委員會 Audit Committee	提名及 薪酬委員會 Nomination and Remuneration Committee	二零一三年 股東週年大會 (「週年大會」) 2013 Annual General Meeting ("AGM")
獨立非執行董事	Independent Non-Executive Directors				
殷尚賢	S.S. Yin	5/6	不適用 N/A	不適用 N/A	1/1
夏佳理	Ronald J. Arculli	4/6	不適用 N/A	1/1	1/1
鄭漢鈞	H.K. Cheng	6/6	4/4	1/1	1/1
陳樂怡	Laura L.Y. Chen	4/6	3/4	1/1	0/1
廖柏偉	P.W. Liu	6/6	4/4	1/1	1/1
何潮輝	Dominic C.F. Ho	6/6	4/4	1/1	1/1
非執行董事	Non-Executive Director				
袁偉良	Nelson W.L. Yuen	6/6	不適用 N/A	不適用 N/A	1/1
執行董事	Executive Directors				
陳啟宗	Ronnie C. Chan	6/6	不適用 N/A	不適用 N/A	1/1
陳南祿	Philip N.L. Chen	6/6	不適用 N/A	不適用 N/A	1/1
何孝昌	H.C. Ho	6/6	不適用 N/A	不適用 N/A	1/1



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所有董事均可向董事長或公司秘書提出在董事局會議之議程內列入商討事項。董事局或各委員會的全部會議文件，至少於計劃舉行會議日期的三天前分別交予所有董事或委員會成員。管理層為董事局及各委員會提供了充分資料和解釋，讓董事局及各委員會於作出決定前能充分掌握有關財務及其他資料。在適當情況下，管理層亦會獲邀出席董事局會議。

此外，管理層每月均向所有董事局成員提供最新資料，載列有關本公司的表現、財務狀況及前景的公正及易於理解的評估，內容足以讓整個董事局及每位董事履行上市規則所規定的職責。

所有董事均有權取得有關本公司業務的適時資料，於有需要時作出進一步查詢，並可個別地聯絡管理層。

此外，公司秘書為本公司的全職僱員，負責確保董事局依循程序及遵守適用法律、規則及規例；所有董事均可獲得公司秘書之意見及服務。公司秘書確保董事局成員之間有良好的資訊交流，亦就企業管治情況及企業管治守則之施行事宜，向董事長及董事局提供意見。公司秘書確認，於二零一三年已參加不少於十五小時的相關專業培訓。

董事局並已同意董事尋求獨立專業意見之程序，其所需費用由本公司支付。

根據本公司的組織章程細則，任何涉及董事或其任何聯繫人之重大利益的任何合約或安排時，有關董事不得參加表決或計算在會議法定人數以內。

本公司已為董事和高級人員購買適當保險，保障彼等因履行職務有可能承擔之法律訴訟責任。

All Directors can give notice to the Chairman or the Company Secretary if they intend to include matters in the agenda for Board Meetings. Full Board or Committee papers will be sent to all Directors or Committee members at least three days before the intended date of a Board Meeting or Committee Meeting respectively. Management also supplies the Board and its Committees with sufficient information and explanations so as to enable them to make an informed assessment of financial and other information put before the Board and its Committees for approval. Management is also invited to join Board Meetings where appropriate.

Furthermore, management provides all Board members with monthly updates which give a balanced and understandable assessment of the Company's performance, position and prospects in sufficient detail to enable the Board as a whole and each Director to discharge their duties under the Listing Rules.

All the Directors are entitled to have access to timely information in relation to our business and make further enquiries where necessary, and they can have separate and independent access to management.

In addition, all Directors have access to the advice and services of the Company Secretary, a full time employee of the Company, who is responsible to the Board for ensuring that procedures are followed and that all applicable laws, rules and regulations are complied with. The Company Secretary supports the Board by ensuring good information flow within the Board and is also a source of advice to the Chairman and to the Board on corporate governance and the implementation of the CG Code. The Company Secretary has confirmed that she has taken no less than 15 hours of relevant professional training in 2013.

Procedures have also been agreed by the Board to enable Directors to seek independent professional advice at the Company's expense.

Under our articles of association, a Director shall not vote or be counted in the quorum in respect of any contract or arrangement in which he/she or any of his/her associates is/are materially interested.

We have also arranged appropriate insurance cover on Directors' and officers' liabilities in respect of legal actions against them arising from corporate activities.



2. 董事長及董事總經理

董事長及董事總經理的責任清楚區分，以確保權力和授權分佈均衡。

董事長

董事長陳啟宗先生為董事局之領導人。彼負責確保所有董事均可適時獲得充分、準確清晰及完備可靠之資料，以及確保在董事局會議上董事均適當知悉當前的事項。彼亦確保：

- 董事局有效地運作及履行責任；
- 董事局及時就所有重要及適當事項進行討論；
- 公司建立良好之企業管治常規和程序；及
- 公司採取適當步驟與股東有效地溝通，而股東之意見可傳達到整個董事局。

董事長最少每年與非執行董事（包括獨立非執行董事）會面一次，執行董事不會列席。

董事長主要負責釐定並批准每次董事局會議議程，並在適當情況下考慮把其他董事提出之任何事宜列入議程。彼亦可把此項責任交由公司秘書執行。

董事長鼓勵所有董事積極地為董事局之事務作出貢獻，並以身作則，確保董事局之行事符合本公司之最佳利益。彼亦鼓勵持不同意見的董事均表達其本身關注的事宜，並給予董事局充足時間討論這些事宜，以便慎重考慮並作出決定。

董事長亦提倡公開、積極討論的文化，促進董事（特別是獨立非執行董事）對董事局作出有效之貢獻，並確保執行董事與非執行董事保持有建設性之關係。

2. Chairman and Managing Director

There is a clear division of responsibilities between the Chairman and the Managing Director to ensure a balance of power and authority.

Chairman

The Chairman, Mr Ronnie C. Chan, provides leadership for the Board. He is responsible for ensuring that all Directors receive, in a timely manner, adequate information which must be accurate, clear, complete and reliable and that Directors are properly briefed on issues arising at Board Meetings. He also ensures that:

- the Board works effectively and discharges its responsibilities;
- all key and appropriate issues are discussed by the Board in a timely manner;
- good corporate governance practices and procedures are established; and
- appropriate steps are taken to provide effective communication with shareholders and that their views are communicated to the Board as a whole.

He, at least annually, holds meetings with the Non-Executive Directors (including Independent Non-Executive Directors) without the Executive Directors being present.

He is primarily responsible for drawing up and approving the agenda for each Board Meeting. He takes into account, where appropriate, any matters proposed by the other Directors for inclusion in the agenda, or delegates such responsibility to the Company Secretary.

He encourages all Directors to make an active contribution to the Board's affairs and takes the lead to ensure that the Board acts in the best interests of the Company. He encourages Directors with different views to voice their concerns, and allows sufficient time for discussion of issues on which the Board can deliberate and reach decisions.

He promotes a culture of openness and debate by facilitating the effective contributions of Non-Executive Directors in particular and ensures constructive relations between Executive Directors and Non-Executive Directors.



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董事總經理

身為本公司執行委員會的成員，董事總經理陳南祿先生負責：

- 本公司之整體業務運作，並執行董事局所採納之政策和策略；
- 按董事局的指示管理本公司之日常業務；
- 就董事局所設定之目標和優先次序制定策略性業務計劃，並致力維持本公司之業務表現；及
- 確保本公司有足夠的財務和內部監控系統以及業務運作均充分符合適用法律及規定。

董事總經理負責主持本公司每月舉行之部門營運會議，彼不時向董事局匯報重大事宜。

3. 非執行董事之獨立性

我們已接獲每位獨立非執行董事按上市規則第3.13條所提交有關其獨立性之年度確認書。我們認為所有獨立非執行董事均保持其獨立性。

為進一步提高問責性，凡服務董事局超過九年之獨立非執行董事，須獲股東以獨立決議案批准方可連任。我們會在週年大會通告中，向股東列明董事局認為該獨立非執行董事仍屬獨立人士的原因，以及我們向股東提議就獨立非執行董事之重選投贊成票。

Managing Director

The Managing Director, Mr Philip N.L. Chen, is a member of the Executive Committee of the Company and is responsible for:

- operating the business of the Company and implementing policies and strategies adopted by the Board;
- the Company's day-to-day management in accordance with the instructions issued by the Board;
- developing strategic operating plans that reflect the objectives and priorities established by the Board and maintaining operational performance; and
- ensuring the adequacy of financial and internal control systems and the conduct of business in conformity with applicable laws and regulations.

The Managing Director chairs the monthly meetings of the Company's various operational divisions. He reports to the Board from time to time on matters of material importance.

3. Independence of Non-Executive Directors

We have received from each of our Independent Non-Executive Directors an annual confirmation of his/her independence pursuant to rule 3.13 of the Listing Rules. We consider the Independent Non-Executive Directors are independent.

To further enhance accountability, any appointment of an Independent Non-Executive Director who has served on the Board for more than nine years will be subject to a separate resolution to be approved by shareholders. We will state in the notice of the AGM the reason why we consider the Independent Non-Executive Director is still independent and our recommendation to shareholders to vote in favor of the re-election of such Independent Non-Executive Director.



4. 委任、重選和罷免

遵照本公司之組織章程細則，董事人數三分之一須於週年大會上輪值告退後再獲股東重選方可連任。此外，每位董事須最少每三年輪值告退一次，新委任之董事須於緊接其委任後召開之股東大會獲股東重新選任。所有該等合資格重選之董事姓名連同其個人詳細履歷，均會載於股東大會通告內。

非執行董事及獨立非執行董事之委任有指定任期，彼等之任職屆滿日期與彼等之預期輪值告退日期（最少每三年一次）一致。

5. 董事持續專業發展

每位新委任之董事在首次接受委任時均會獲安排與其他董事和主要行政人員會面，並會獲得全面、正式兼特為其而設的就任須知。其後，董事亦會獲得所需的介紹及專業發展，以確保他們妥善理解本公司之業務運作，以及完全清楚其本人按照法規及普通法、上市規則、法律及其他監管規定，以及本公司的業務及管治政策下的職責。公司秘書協助董事就任須知及專業發展之事宜。

本公司鼓勵所有董事參與持續專業發展，發展並更新其知識及技能，以確保其繼續在具備全面資訊及切合所需的情況下對董事局作出貢獻。於二零一三年，本公司為董事安排主題為《網上購物之發展與其帶來的挑戰》的研討會及三次董事局造訪行程，當中包括兩次造訪位於中國內地之物業發展項目。

4. Appointment, Re-election and Removal

In accordance with our articles of association, one-third of the Directors are required to retire from office by rotation for re-election by shareholders at an AGM. In addition, every Director is subject to retirement by rotation at least once every three years, and new appointments to the Board are subject to re-election by shareholders at the upcoming general meeting. Names of such Directors eligible for re-election being accompanied by detailed biographies will be stated in the notice of the general meeting.

The Non-Executive Director and Independent Non-Executive Directors are appointed for specific terms, which coincide with their expected dates of retirement by rotation at least once every three years.

5. Directors' Continuous Professional Development

Every newly appointed Director will meet with fellow Directors and key executives, and will receive a comprehensive, formal and tailored induction on the first occasion of his/her appointment. Subsequently, he/she will receive any briefing and professional development necessary to ensure he/she has a proper understanding of the Company's operations and business and full awareness of his/her responsibilities under statute and common law, the Listing Rules, legal and other regulatory requirements, and especially the Company's business and governance policies. The Company Secretary facilitates induction and professional development of Directors.

All Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills to ensure their contribution to the Board remains informed and relevant. In 2013, the Company has arranged for Directors a presentation on the development of online shopping and its challenges ahead and three offsite Board trips including two visits to our property development projects in mainland China.



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每位現任董事於二零一三年所接受的培訓記錄簡要如下：

Record of training received by each existing Director in 2013 is summarized below:

董事	Directors	培訓類型 Types of Training
陳啟宗	Ronnie C. Chan	A, B, C, D
殷尚賢	S.S. Yin	A, B, D
陳南祿	Philip N.L. Chen	A, B, C, D
袁偉良	Nelson W.L. Yuen	A, B, D
夏佳理	Ronald J. Arculli	A, B, C, D
鄭漢鈞	H.K. Cheng	A, B, D
陳樂怡	Laura L.Y. Chen	A, B, C, D
廖柏偉	P.W. Liu	A, B, D
何潮輝	Dominic C.F. Ho	A, B, D
何孝昌	H.C. Ho	A, B, D

- A 出席研討會/論壇
Attending seminar(s)/forum(s)
- B 閱讀有關一般業務、地產發展及投資、董事職責及責任等之資料
Reading materials relating to general business, property development and investment, directors' duties and responsibilities and so on
- C 於外部研討會/論壇致辭
Giving talks to external seminar(s)/forum(s)
- D 出席公司活動/造訪行程
Attending corporate event(s)/visit(s)

(二) 董事局權力的轉授

執行委員會、審核委員會和提名及薪酬委員會分別於一九八九年、一九九九年及二零零三年成立。

1. 執行委員會

本公司董事局之執行委員會乃於一九八九年成立，現有成員包括全部執行董事，彼等定期舉行會議，藉以制定本公司之策略性方向及監察管理層之表現。董事局已採納清晰的職權範圍，並已就若干須交由董事局決定的事項制訂了指引。每位委員會成員均完全清楚哪些事項須交由董事局全體決定、哪些事項可交由委員會或管理層負責。

(II) Delegation by the Board

The Executive Committee, Audit Committee and Nomination and Remuneration Committee were formed in 1989, 1999 and 2003 respectively.

1. Executive Committee

The Executive Committee of the Board of the Company was formed in 1989. Its members are all the Executive Directors of the Company, who meet regularly to establish the strategic direction of the Company, and to monitor the performance of management. Clear terms of reference have been adopted by the Board, and guidelines were also set up for certain issues requiring Board approval. Each of the Committee members has full understanding on determining which issues require a decision of the full Board and which are delegated by the Board to the Committee or management.



2. 審核委員會

審核委員會乃於一九九九年由董事局設立，目前成員包括四名獨立非執行董事，分別為鄭漢鈞博士（委員會主席）、陳樂怡女士、廖柏偉教授及何潮輝先生。彼等均具備適當之學術及專業資格或相關之財務管理專才。

根據企業管治守則，審核委員會須每年與外聘核數師舉行最少兩次會議。審核委員會亦於有需要時會與外聘核數師另行開會（管理層並不列席）。於二零一三年，審核委員會超越企業管治守則的要求，舉行了四次會議，以（其中包括）討論內部審計工作之性質和範疇，以及評核集團之內部監控。此外，委員會於二零一三年與外聘核數師在執行董事局成員並不列席的情況下會面四次。

公司及香港交易所之網頁均載有審核委員會之職權範圍，闡明其角色及職責，以供瀏覽。該職權範圍已涵蓋企業管治職能的有關職責，以及不低於上市規則所規定之具體職責。

委員會獲董事局授權，可調查其職權範圍內之任何事項；向任何僱員索取任何所需資料，而所有僱員均須就委員會之要求作出通力合作；向外界法律人士或其他獨立專業人士尋求意見；及於有需要時邀請具有相關經驗和專才之外界人士參與會議。委員會獲提供足夠資源以履行其職責。

2. Audit Committee

An Audit Committee was established by the Board in 1999, and now comprises four Independent Non-Executive Directors with appropriate academic and professional qualifications or related financial management expertise, namely Dr H.K. Cheng (Chairman of the Committee), Ms Laura L.Y. Chen, Prof P.W. Liu and Mr. Dominic C.F. Ho.

Under the CG Code, it is required that meetings are held at least two times a year with the external auditor. Separate meetings will also need to be held with the external auditor (in the absence of management) as and when required. The Audit Committee has exceeded the CG Code and has held four meetings for the purpose of, inter alia, discussing the nature and scope of internal audit work and assessing the Group's internal controls in 2013. Moreover, the Committee met the external auditor four times in 2013 without the presence of the Executive Board members.

The terms of reference explaining the Committee's role and authority, which include duties regarding corporate governance functions and as a minimum the specific duties as stipulated in the Listing Rules are available on both our website and the website of HKEx.

The Committee is authorized by the Board to investigate any activity within its terms of reference; to seek any information it requires from any employee and all employees are directed to co-operate with any requests made by the Committee; to obtain outside legal or other independent professional advice; and to secure the attendance of outsiders with relevant experience and expertise to their meetings if necessary. Sufficient resources are provided to the Committee to discharge its duty.



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於二零一三年，審核委員會履行了（其中包括）以下之職責：

與外聘核數師的關係、審閱財務資料與監管財務申報制度及內部監控程序

- 檢討並向管理層和外聘核數師取得有關中期業績和全年業績之解釋，包括與以往會計期有改變之原因、採用新會計政策之影響、對上市規則和有關法規的遵例情況、以及任何核數事宜，然後建議董事局採納有關業績；
- 考慮及向董事局建議再度委任畢馬威會計師事務所為本公司之外聘核數師；
- 考慮及審批僱用外聘核數師為本公司提供非核數服務之程序和指引；
- 收取及檢討內部審計師之內部審計報告；
- 與外聘核數師開會（管理層並不列席）以商討任何重大核數事宜；
- 與內部審計師另行開會以商討重大內部審計事宜；
- 審批二零一四年之內部審計計劃；及
- 檢討本公司的內部監控系統，包括高級管理人員架構、風險管理、資源、員工資歷及經驗是否足夠、員工所接受的培訓課程是否充足，以及本公司財務及職能匯報的程序。

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- 檢討及審批本公司在企業管治，以及遵守法律及監管規定方面的政策；
- 檢討及監察董事的培訓及持續專業發展；及
- 檢討本公司遵守企業管治守則的情況及在企業管治報告內的披露。

In 2013, the Audit Committee has performed, inter alia, the following:

Relationship with External Auditor, Review of Financial Information and Oversight of Financial Reporting System and Internal Control Procedures

- reviewed and obtained explanation from management and the external auditor on the interim and annual results, including causes of changes from the previous accounting period, effects on the application of new accounting policies, compliance with the Listing Rules and relevant legislation, and any audit issues, before recommending their adoption by the Board;
- considered and proposed to the Board the re-appointment of KPMG as the Company's external auditor;
- considered and approved the procedures and guidelines in employing the external auditor to perform non-audit assignments for the Company;
- received and reviewed the internal audit reports from the Internal Auditor;
- held meetings with the external auditor in the absence of management to discuss any material audit issues;
- held meetings with the Internal Auditor in private to discuss material internal audit issues;
- approved the internal audit program for 2014; and
- carried out reviews of the internal control system of the Company including senior management's structure, risk management, the adequacy of resources, staff qualifications and experience, training programs and the Company's procedures for financial and functional reporting.

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- reviewed and approved the Company's policies on corporate governance and compliance with legal and regulatory requirements;
- reviewed and monitored the training and continuous professional development of Directors; and
- reviewed the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.



3. 提名及薪酬委員會

提名及薪酬委員會於二零零三年設立，目前成員包括五名獨立非執行董事，分別為廖柏偉教授（委員會主席）、夏佳理先生、鄭漢鈞博士、陳樂怡女士及何潮輝先生。該委員會定期舉行會議以審閱有關人力資源之議題，包括集團薪酬架構之重大改變及影響執行董事和高級管理人員之條款及條件之重大改變。於二零一三年，委員會舉行了一次會議，以審閱（其中包括）董事局之成員架構、董事薪酬及董事局成員多元化政策。

委員會之職權範圍經參照企業管治守則於二零一三年之更改而予以檢討及修訂。經修訂之委員會職權範圍（包括不低於上市規則所規定之具體職責）載於公司及香港交易所之網頁，以供瀏覽。

於二零一三年，委員會已履行的主要職責如下：

- 檢討董事局成員多元化政策及其執行情況；
- 檢討董事局之架構、規模及多元化；
- 評估獨立非執行董事的獨立性；
- 按資歷及相關專業知識，挑選提名有關人士出任董事，並就此向董事局提出建議；
- 就重選於週年大會上退任之董事向董事局提出建議；
- 就本公司全體董事和高級管理人員之薪酬政策及架構，向董事局提出建議；
- 釐定個別執行董事和高級管理人員之薪酬待遇，包括非金錢利益、退休金權利及賠償金額；及
- 就非執行董事及獨立非執行董事之酬金向董事局提出建議。

3. *Nomination and Remuneration Committee*

A Nomination and Remuneration Committee, set up in 2003, now comprises five Independent Non-Executive Directors, namely Prof P.W. Liu (Chairman of the Committee), Mr Ronald J. Arculli, Dr H.K. Cheng, Ms Laura L.Y. Chen and Mr Dominic C.F. Ho. Regular meetings were held to review human resources issues, including significant changes in the salary structure of the Group and terms and conditions affecting Executive Directors and senior management. The Committee met once in 2013 to review, inter alia, the composition of Board members, Directors' remuneration and the Board Diversity Policy.

The terms of reference explaining the Committee's role have been reviewed and revised with reference to the changes to the CG Code during 2013. The revised terms of reference, include as a minimum the specific duties as stipulated in the Listing Rules can be accessed on both our website and the website of HKEx.

The major work performed by the Committee in 2013 included the following:

- reviewed the Board Diversity Policy and its implementation;
- reviewed the structure, size and diversity of the Board;
- assessed the independence of the Independent Non-Executive Directors;
- made recommendations to the Board on the selection of individuals nominated for directorship in view of the qualifications and related expertise;
- made recommendations to the Board on the re-election of retiring Directors at the AGM;
- made recommendations to the Board on the Company's policy and structure for all Directors and senior management remuneration;
- determined the remuneration packages of individual Executive Directors and senior management, including benefits in kind, pension rights and compensation payments; and
- made recommendations to the Board on the remuneration of the Non-Executive Director and Independent Non-Executive Directors.



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執行董事和高級管理人員之薪酬待遇（包括酌定花紅及股份期權），乃基於以下準則：

- 個人表現；
- 技能和知識；
- 對本集團事務之參與程度；
- 達成之業務目標；及
- 本集團之表現及盈利。

委員會並考慮各項因素，包括可供比較之公司所支付之薪金、董事所投入之時間及承擔之責任、以及集團其他職位之僱用條件。

委員會取得指標報告以評估董事和高級管理人員薪酬之有關市場趨勢及競爭水平。委員會獲提供足夠資源以履行其職責。委員會可就其他執行董事的薪酬建議諮詢董事長及董事總經理，並可在有需要時徵詢獨立專業意見。

高級管理人員（只包括執行董事）的薪酬詳情，於財務報表附註第七項內披露。

4. 管理功能

高級管理人員只包括本公司之執行董事，彼等之職責已闡述於上述標題為「執行委員會」之段落。主要行政人員在執行董事領導下負責本集團之日常運作及行政管理。董事局已給予管理層清晰指引，明確界定哪些事項須先獲董事局批准，方可代表本公司作出決定。董事局授權管理層可作出決定之事項包括：執行董事局決定之策略和方針、本集團之業務運作、編製財務報表及營運預算案、以及遵守適用之法律和規則。本公司定期檢討此等安排，確保其繼續適合本公司之所需。

The remuneration package of Executive Directors and senior management, including discretionary bonus and share options, is based on the following criteria:

- individual performance;
- skills and knowledge;
- involvement in the Group's affairs;
- achievement of business targets; and
- performance and profitability of the Group.

The Committee also considers factors such as salaries paid by comparable companies, time commitment and responsibilities, and employment conditions elsewhere in the Group.

The Committee obtains benchmark reports for evaluation of market trends and the competitive levels of remuneration being offered to Directors and senior management. Sufficient resources are provided to the Committee to discharge its duties. The Committee may consult the Chairman and the Managing Director about remuneration proposals of other Executive Directors and has access to independent professional advice if necessary.

Details of remuneration payable to members of the senior management (which includes Executive Directors only) are disclosed in note 7 on the financial statement.

4. Management Functions

Senior management includes Executive Directors of the Company only. Their duties were explained in the paragraph headed “Executive Committee” above. Key executives are responsible for the day-to-day operations and administration function of the Group under the leadership of the Executive Directors. The Board has given clear directions to management as to the matters that must be approved by the Board before decisions are made on behalf of the Company. The types of decisions to be delegated by the Board to management include implementation of the strategy and direction determined by the Board, operation of the Group's businesses, preparation of financial statements and operating budgets, and compliance with applicable laws and regulations. These arrangements will be reviewed periodically to ensure that they remain appropriate to our needs.



(三) 董事的證券交易及持有之股份權益

1. 遵守標準守則

本公司之紀律守則內有關「買賣本公司之股份」之指引，載有本公司已採納的一套根據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》（「標準守則」）所規定的董事進行證券交易標準的行為守則。本公司已向所有董事作出特定查詢，確認已遵守標準守則及紀律守則所規定的董事進行證券交易標準。

2. 董事持有之股份權益

於二零一三年十二月三十一日，董事持有本公司及其上市母公司恒隆集團有限公司之股份權益之詳情如下：

(III) Directors' Securities Transactions and Share Interests

1. Compliance with Model Code

We have set out guidelines regarding securities transactions by Directors under "Transactions in the Company's Shares" in our Code of Conduct according to the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules (the "Model Code"). The Company has made specific enquiries to all Directors and confirmed that they have complied with the required standard set out in the Model Code and the Code of Conduct regarding Directors' securities transactions.

2. Share Interests of Directors

Details of Directors' interests in shares of the Company and our listed parent company, Hang Lung Group Limited, as at December 31, 2013 are as follows:

董事姓名	Name of Directors	本公司 The Company		恒隆集團有限公司 Hang Lung Group Limited	
		股份數目 Number of Shares	根據期權 可認購之股數 Number of Shares under Option	股份數目 Number of Shares	根據期權 可認購之股數 Number of Shares under Option
陳啟宗	Ronnie C. Chan	–	41,070,000	–	11,790,000
殷尚賢	S.S. Yin	–	–	–	–
陳南祿	Philip N.L. Chen	–	19,000,000	–	–
袁偉良	Nelson W.L. Yuen	–	24,320,000	–	–
夏佳理	Ronald J. Arculli	724,346	–	1,089,975	–
鄭漢鈞	H.K. Cheng	–	–	–	–
陳樂怡	Laura L.Y. Chen	–	–	–	–
廖柏偉	P.W. Liu	100,000	–	–	–
何潮輝	Dominic C.F. Ho	–	–	–	–
何孝昌	H.C. Ho	–	8,600,000	–	–



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(四) 問責及核數

1. 財務匯報

董事對本公司以持續營運為基準所編製的財務報表承擔責任，並於有需要時為財務報表作出合理的假設和保留意見。本公司之財務報表乃按照上市規則、公司條例及香港公認會計原則及守則之規定而編製，並貫徹採用合適之會計政策及作出審慎及合理之判斷和估計。外聘核數師畢馬威會計師事務所已在本公司財務報表的獨立核數師報告中就他們的申報責任作出聲明。

董事於年報、中期報告、股價敏感公佈及按上市規則和法規要求的其他披露文件內，致力確保就本公司之狀況和前景作出平衡、清晰及易於理解之評審。

2. 內部監控

我們維持良好的內部監控環境，確保內部監控系統及程序有效運作，並在必要時作出改善。紀律守則詳述本集團之經營業務宗旨，作為所有員工依從之標準。

設立內部監控系統，旨在監察本集團之整體財務狀況、防止資產受損或被挪用；就重大欺詐及錯失作出合理預防措施；以及就因無法達成本集團之目標而可能帶來之風險作出管理。我們的內部監控系統乃參考COSO (Committee of Sponsoring Organizations of the Treadway Commission) 之原則所訂立。有效的內部監控系統需具備以下五大重要元素：

(IV) Accountability and Audit

1. Financial Reporting

Directors acknowledge their responsibility for preparing the financial statements on a going concern basis, with supporting assumptions or qualifications as necessary. The Company's financial statements are prepared in accordance with the Listing Rules, Companies Ordinance and also the accounting principles and practices generally accepted in Hong Kong. Appropriate accounting policies are selected and applied consistently; judgments and estimates made are prudent and reasonable. A statement by the external auditor, KPMG, about their reporting responsibilities is included in the Independent Auditor's Report on the Company's financial statements.

The Directors endeavor to ensure a balanced, clear and understandable assessment of the Company's position and prospects in annual reports, interim reports, price-sensitive announcements and other disclosures required under the Listing Rules and other statutory requirements.

2. Internal Controls

We maintain a good internal control environment to enable the internal control systems and procedures to perform effectively and to make improvements where necessary. The Code of Conduct details the Group's philosophy in running its business and acts as a benchmark for all staff to follow.

Internal control systems have been designed to allow us to monitor the Group's overall financial position, to safeguard its assets against loss and misappropriation, to provide reasonable assurance against material fraud and errors, and to manage the risk in failing to achieve the Group's objectives. Our internal control systems are developed with reference to the COSO (Committee of Sponsoring Organizations of the Treadway Commission) principles. There are five important elements for an effective internal control system as follows:



監控環境 — 是作為其他內部監控元素的基礎。監控環境對內部監控系統的整體效益發揮重要作用，並為企業推行內部監控設定了主要基調。可影響監控環境的因素包括員工的誠信、道德觀念、管理層的營運模式、職責授權及員工管理與人才發展制度。董事及高級管理人員深知一個強而有力的監控環境能夠與其他內部監控元素相輔相成。因此，我們由高層訂立良好的基調，並設定了期許的行為準則。

風險評估 — 即指就對實現集團業務目標的潛在風險進行識別、評估及分析的相關程序。風險評估能幫助管理層決定如何管理和減輕該等風險。董事及高級管理人員能透過風險評估去辨認內部及外部的風險，並考慮該等風險的可能性和對企業營運的影響。之後，我們設計及實施相關監控措施以減輕該等風險來達致我們的目標。

監控活動 — 是指制訂一系列的政策與程序，令管理方針得以貫徹，並對可能阻礙集團達到目標的風險採取必要的措施。因此，我們已設計及實施多種監控活動，例如批核和授權政策、效績評估、職責分工、部門程序和手冊、設立委員會及工作小組等，以確保集團高效運作。此外我們會因應風險的改變而定期審視上述的監控活動以達致我們的業務目標。

資訊及溝通 — 是指識別、取得及傳達相關資訊的程序及系統，以便適時傳遞給相關的對象。董事及高級管理人員秉著開放的態度，鼓勵並促進集團內部的有效溝通。此外，我們已推行職能匯報政策，內地子公司的管理層也需要向香港的相關職能部門主管匯報。因此，資訊可以直接及有效地於集團內傳達。

Control environment – the foundation for the other components of internal control. The resulting control environment has a pervasive impact on the effectiveness of the overall internal control systems. It provides the basis for carrying out internal control across the organization. The factors that may affect the control environment include integrity, ethical values, management’s operating style, delegation of authority, as well as the processes for managing and developing people. Directors and senior management understand a strong control environment supports the functioning of all other components of internal control. As a result, we have established the right tone at the top regarding the importance of internal control including expected standards of conduct.

Risk assessment – the identification, evaluation and analysis of risks underlying the achievement of our business objectives. It helps management to determine how such risks should be managed and mitigated. Directors and senior management use the risk assessment process to identify risks, both internally and externally, and assess their likelihood that may impact our operation. After that, we design and implement the controls to mitigate such risk in order to achieve our objectives.

Control activities – the policies and procedures that help to ensure management directives are carried out and necessary actions are taken to address the risks that may hinder the achievement of the Group’s objectives. Therefore, we have designed and implemented different types of control activities such as the approvals and authorization policies, performance reviews, segregation of duties, departmental procedures and manuals, establishment of committees and working groups etc., in order to ensure the efficient and effective operation of the Group. Moreover, we will revisit these activities periodically, so that they can address the latest changes of the risks in achieving our business objectives.

Information and communication – the process and system to identify, capture and communicate pertinent information to the right person in a timely manner. Directors and senior management have adopted an open environment to facilitate the effective communication within the Group. In addition, we have implemented a functional reporting mechanism so that the local management at subsidiaries level can report to the respective functional head in Hong Kong. As a result, the information can be communicated directly and effectively throughout the Group.



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監察 — 是指時刻評估內部監控系統效績之程序，並確保集團的內部監控持續有效地運作。此等程序由管理層透過持之以恆的監察措施及評估而實現。更重要的是內部審計部會定期進行獨立的稽查並直接向審核委員會匯報。內部監控的缺陷將會直接上報，並會透過各種解決方案使系統持續改善。

在恒隆，我們對執行委員會、董事、行政人員及高級職員之活動設有明確之特定權限。年度及中期預算案的所有資本及收入項目編製後，均須先獲高級管理人員及主要行政人員批准方可採納。我們密切監察各項業務，審閱每月之財務業績及與預算作出比較，並不時檢討，更新及改善內部監控以面對未來的挑戰。

我們積極採取預防措施處理及發佈股價敏感資料。此等資料僅為須知人士所悉。我們已採納披露股價敏感資料政策，並每六個月就該政策的合規要求向高級行政人員發出提示。

本公司設有內部審計部，獨立於本公司之日常運作及會計職務。內部審計師直接向審核委員會匯報。內部審計程序乃根據風險評估方法設計，並由審核委員會每年作出審閱。內部審計師每月與管理層商討其內部審計工作及結果，而管理層則就各項有關事宜作出適當之回應。內部審計師每季均向審核委員會提交報告。

於二零一三年，內部審計師與審核委員會每三個月舉行一次正式會議，商討內部審計事宜。審核委員會舉行會議時，亦會向外聘核數師查詢其對本公司財務及內部監控事宜之意見。審核委員會有權與外聘核數師直接商討，雙方並會最少每年就此舉行一次會議，倘有需要，管理層不會列席。執行董事出席審核委員會會議，以解答審核委員會之查詢，並會向董事局匯報審核委員會會議上提出的事宜。

Monitoring – the process that assesses the quality of the system's performance over time. It ascertains that the internal control of the Group continues to operate effectively. This is accomplished through ongoing monitoring activities and evaluations performed by management. More significantly, Internal Audit performs regular independent reviews on the Group's internal control and directly reports to the Audit Committee. Deficiencies in internal control are reported upstream and rectifications are taken to ensure continuous improvement of the system.

In Hang Lung, we have a well-defined specific limit of authority governing activities of the Executive Committee, Directors, executives and senior staff. Annual and mid-year budgets on all capital and revenue items are prepared and approved by senior management and key executives before being adopted. We monitor the business activities closely and review monthly financial results of operations against budgets. We also review, update and improve the internal controls to meet upcoming challenges.

We take proactive precautionary measures in handling and dissemination of price-sensitive information. Such information is restricted to a need-to-know basis. We have adopted a policy on disclosure of price-sensitive information and senior executives are reminded of the compliance requirements of the policy every six months.

We maintain an Internal Audit Department which is independent of our daily operations and accounting functions. The Internal Auditor reports directly to the Audit Committee. An internal audit program based on risk assessment methodology has been designed and reviewed by the Audit Committee on an annual basis. On a monthly basis, the Internal Auditor discusses his internal audit reviews and findings with the management and obtains management's responses on various issues. Internal audit reports are prepared for the Audit Committee every quarter.

Formal meetings were held every three months between the Internal Auditor and the Audit Committee to discuss internal audit issues in 2013. During Audit Committee Meetings, the Audit Committee also enquired on financial and internal control matters with the external auditor. The Audit Committee has the authority to have direct discussion with the external auditor in the absence of management if deemed necessary, and they meet at least once annually for this purpose. Executive Director(s) is/are present at the Audit Committee Meetings to answer enquiries from the Audit Committee and to report to the Board on matters arising.



董事明白，彼等有責任維持有效的風險管理及內部監控系統，並於二零一三年檢討有關制度四次。董事管理風險的方法包括作出策略性規劃；委任合適資歷及經驗豐富的人士擔任高層職位；定期監察本集團之表現；對資本支出及投資保持有效的監控；以及制定紀律守則供所有董事及員工依從。

截至二零一三年十二月三十一日止財政年度，董事已就本公司及其附屬公司之所有主要監控機制作出檢討，範圍涵蓋財務、營運及合規監控，以及風險管理功能，對運作中的內部監控系統的成效和足夠程度感到滿意。

董事亦審議本公司在會計及財務匯報職能方面的資源，員工資歷及經驗，以及員工所接受的培訓課程及有關預算是否足夠。作出此項結論，乃基於公司的政策和程序，並已設定權限、監控財政預算及定期監察集團之表現，並已參考外聘核數師及內部審計師之報告。

我們識別集團不同範疇所面對之主要風險，相關風險詳情已在本年報之管理層之討論及分析中標題為「風險管理」之段落內披露。

董事確定，與上一財政年度比較，本公司所面對的主要風險，在性質上和程度上均無重大不利變化；本公司有能力應付其營商環境及外在環境之任何相關變化。

此外，本公司於二零一三年並無尚未修正之重大監控失誤或弱項。我們持續地密切監察本公司的內部監控系統，並獲審核委員會進一步驗證，內部監控職能正有效地運作。我們一直遵守企業管治守則之守則條文所載有關維持有效的內部監控系統的規定。

The Directors acknowledged that it is their responsibility to maintain effective risk management and internal control systems, and had reviewed them four times in 2013. The Directors manage risks by strategic planning, appointing appropriately qualified and experienced personnel at senior positions, monitoring the Group's performance regularly, maintaining effective control over capital expenditure and investments, and setting a Code of Conduct for all Directors and employees to follow.

The Directors had conducted a review covering all material controls, including financial, operational and compliance controls and risk management functions of the Company and its subsidiaries for the financial year ended December 31, 2013, and were satisfied that an effective and adequate internal control system had been in operation.

Considerations are also given to the adequacy of resources, staff qualifications and experience, training programs and budget of the Company's accounting and financial reporting function. The Directors came to such a conclusion based on the Company's policies and procedures, specific limits of authority, budgetary controls, regular monitoring of performance and the reports from both the external auditor and the Internal Auditor.

We identify major risks in different areas of the Group. The major risks have been covered under the paragraph headed "Risk Management" in the Management Discussion and Analysis of this annual report.

The Directors confirm that there have been no major downside changes in the nature and extent of significant risks faced by us from the previous financial year, and the Company has the ability to respond to any such changes in our business and the external environment.

Furthermore, there were no significant control failings or weaknesses identified that have not been rectified in 2013. We closely monitor our system of internal controls, and received further assurance from the Audit Committee that the internal audit function has been functioning effectively. We have complied with the code provisions set out in the CG Code in respect of maintaining an effective internal control system.



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3. 紀律守則

本公司自一九九四年起採納企業紀律守則，並不時更新。

紀律守則清楚列出本公司的原則：法律規定；處理利益衝突的方式；處理機密資料和公司財產；使用資訊和通訊系統；有關舉報政策的申訴渠道；與供應商和承辦商的公平交易；付款程序；對股東和投資者的責任；與客戶和消費者的關係；僱傭守則；以及對社會的責任等。事實上，守則詳述了本集團的業務經營宗旨，作為所有員工和供應商的依從標準。

為監察及貫徹紀律守則之遵從，各部門經理負責確保其下屬充分了解及遵守該等守則和規定。違規之僱員會受到處分，包括被勒令離職，或如需要，向有關機構舉報。倘任何董事局成員接獲查詢關於股東、潛在股東、客戶、消費者、供應商、承辦商及本公司之僱員所作出之投訴，執行董事須直接向該董事作出回答，以確保有關投訴獲公正及有效率之處理。

我們設有舉報機制，以舉報違反紀律守則的實際或潛在行為及其他可疑違規，該政策旨在鼓勵僱員及其他有關的第三者例如承辦商及租客在機密情況下就本集團任何失當行為、欺詐活動或舞弊行為，向本公司提出其嚴肅關注。所有舉報將直接送交內部審計部主管，並由內部審計部秘密調查，本公司並為此設有電郵戶口(whistleblowing@hanglung.com)。

我們透過紀律守則、政策及程序，讓所有僱員清楚誠信的重要性。於二零一三年，我們為中國內地僱員安排由一所具領導地位的內地律師事務所提供一項全面兼特為彼等而設的誠信培訓計劃。

3. Code of Conduct

We have adopted a corporate Code of Conduct since 1994 which is updated from time to time.

The Code of Conduct clearly spells out the Company's stance, the legal requirements, conflicts of interest, handling of confidential information and company property, use of information and communication systems, avenue for whistle-blowing, fair trading with suppliers and contractors, payment procedures, responsibilities to shareholders and the financial community, relationship with customers and consumers, employment practices, and responsibilities to the community. In essence, it details the Group's philosophy in running its business and acts as a benchmark for all staff and suppliers to follow.

In order to monitor and enforce compliance to the Code of Conduct, functional managers are responsible for ensuring their subordinates fully understand and comply with the standards and requirements as stipulated. Any violation thereof will result in the employee being disciplined, including termination of employment or reporting to appropriate authorities if necessary. The Executive Directors will also answer directly to any Board member for impartial and efficient handling of complaints received from all shareholders and potential shareholders, customers and consumers, suppliers and contractors and our employees.

A whistle-blowing mechanism has been put in place for reporting actual or potential violations of the Code of Conduct and other suspected irregularities. It is designed to encourage employees and other related third parties such as contractors and tenants to raise serious concerns in confidence about misconduct, fraudulent activities, or malpractices in any matter related to the Group. All the cases will be addressed to the Head of Internal Audit directly and investigated by Internal Audit on a confidential basis. The Company has also set up an email account (whistleblowing@hanglung.com).

All staff are made aware of integrity issues through the Code of Conduct, policies and procedures. A comprehensive and tailored training program on integrity conducted by a leading mainland law firm was arranged for the staff in mainland China in 2013.



此外，為確保所有業務管理均按照高水平的實務準則及企業管治準則進行，我們會每六個月向所有僱員就處理利益衝突情況的政策發出提示。而行政人員均須每六個月填寫並簽署申報表格，披露其直接或間接在本公司或其附屬公司或聯營公司持有之利益。

4. 核數師酬金

二零一三年週年大會上，股東批准再度委任畢馬威會計師事務所為本公司之外聘核數師，直至二零一四年週年大會為止。彼等之主要責任乃就年度綜合財務報表提供核數服務。

付予外聘核數師服務之總酬金如下：

		截至二零一三年 十二月三十一日止年度 Year ended December 31, 2013 港幣百萬元 HK\$ (in Million)	截至二零一二年 十二月三十一日止年度 Year ended December 31, 2012 港幣百萬元 HK\$ (in Million)
法定核數服務	Statutory audit services	7	8
稅務及其他服務	Tax and other services	5	5

(五) 與持份者的溝通

1. 股東

董事局已制定股東通訊政策，載列本公司已落實有關促進與股東之間有效溝通之策略，以確保股東獲提供有關本公司資訊，及促使股東與本公司加強溝通，並在知情的情況下行使股東的權利。我們會定期檢討此政策以確定其有效運作。

本公司之週年大會為董事局與股東提供溝通良機。董事長及各委員會之主席一般均出席以解答股東提出之問題，外聘核數師每年也會出席週年大會。週年大會通告及有關文件於大會舉行日期前最少二十個營業日寄予股東。董事長就每項獨立的事宜個別提出決議案。週年大會獲股東踴躍出席。

Also, to make sure that all operations are managed in accordance with a high standard of practice and corporate governance, all employees are reminded of the policy governing conflict of interest situations every six months. The executives are also required to complete and sign a declaration form every six months declaring their interests, directly or indirectly, with the Company and our subsidiaries and associated companies.

4. Auditor's Remuneration

KPMG was re-appointed as our external auditor by shareholders at the 2013 AGM until the conclusion of the 2014 AGM. They are primarily responsible for providing audit services in connection with the annual consolidated financial statements.

The total remuneration in respect of services provided by the external auditor is as follows:

(V) Communication with Stakeholders

1. Shareholders

The Board has established a shareholders communication policy setting out strategies that the Company has in place to promote effective communication with shareholders, with the aim of ensuring shareholders are provided with information about the Company and enabling them to engage actively with the Company and to exercise their rights as shareholders in an informed manner. The policy is regularly reviewed to ensure its effectiveness.

Our AGM provides a good opportunity for communication between the Board and shareholders. The Chairmen of the Board and of the Committees are normally present to answer queries raised by shareholders. The external auditor also attends the AGM every year. Notice of the AGM and related papers are sent to shareholders at least 20 clear business days before the meeting. Each separate issue is proposed by a separate resolution by the Chairman. The meeting enjoys strong participation from shareholders.



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根據《公司條例》，佔本公司總表決權最少百分之五的股東，可提出請求召開股東特別大會。請求書須列明該大會上處理的事務，並由有關股東簽署及存放於本公司的註冊辦事處註明公司秘書收。此外，根據《公司條例》，(i) 佔本公司全體股東的總表決權最少百分之二點五的股東；或(ii) 最少五十名持有股份而每名股東所持股份已繳足的平均股款不少於港幣二千元的股東（此項平均股款之要求將於二零一四年三月三日生效的新《公司條例》時被刪除），可將要求在本公司股東大會上考慮其建議的書面請求書，送交本公司的註冊辦事處註明公司秘書收。於二零一四年三月三日新《公司條例》實施後，以上經提出該要求者認證之請求書將可採用電子形式送交本公司，電郵地址為ir@hanglung.com。

根據本公司的組織章程細則，任何持有代表不少於有權出席本公司股東大會及於會上投票的全體股東的總表決權的十分之一的股東，如欲提名一名人士（卸任董事除外）於本公司股東大會上參選董事一職（「候選人」），彼須將下列文件遞交至本公司的註冊辦事處：(i) 一份就有關建議由該股東妥為簽署的書面通知；及(ii) 一份由候選人妥為簽署的同意書，表示其願意參選。遞交上述文件的期限（為期最少七天）須由不早於寄發指定舉行有關該選舉的股東大會通告後之日起至不遲於該股東大會舉行日期前七天為止。

倘股東有特別查詢或建議，可書面致函本公司的註冊地址予董事局或公司秘書或電郵至本公司，電郵地址為ir@hanglung.com。此外，股東如有任何有關其股份及股息之查詢，可以聯絡本公司的股份過戶及登記處香港中央證券登記有限公司，其聯絡詳情已載於本年報之「上市資料」內。

Shareholder(s) representing at least 5% of the total voting rights of the Company can make a requisition to convene an extraordinary general meeting pursuant to the Companies Ordinance. The requisition must state the business to be dealt with at the meeting, signed by the relevant shareholder(s) and deposited at our registered office for the attention of the Company Secretary. Furthermore, the Companies Ordinance provides that (i) shareholder(s) representing at least 2.5% of the total voting rights of all shareholders of the Company or (ii) at least 50 shareholders holding the shares which has been paid up an average sum of not less than HK\$2,000 per shareholder (the requirement of such average sum will be removed when the new Companies Ordinance becomes effective from March 3, 2014) can put forward proposals for consideration at a general meeting of the Company by sending a requisition in writing to the registered office of the Company for the attention of the Company Secretary. The above requisitions authenticated by the person or persons making them may also be sent to the Company in electronic form to ir@hanglung.com after the operation of the new Companies Ordinance on March 3, 2014.

According to our articles of association, if any shareholder(s) representing not less than one-tenth of the total voting rights of all the shareholders having the right to attend and vote at general meetings of the Company wish(es) to propose a person (other than a retiring director) for election as a director (the "Candidate") at a general meeting of the Company, the following documents must be lodged at our registered office: (i) a written notice of such proposal duly signed by the shareholder(s) concerned; and (ii) a written consent duly signed by the Candidate indicating his/her willingness to be elected. The period for lodgment of the above documents (being a period of at least seven days) shall commence no earlier than the day after the dispatch of the notice of the meeting appointed for such election and end no later than seven days prior to the date of such meeting.

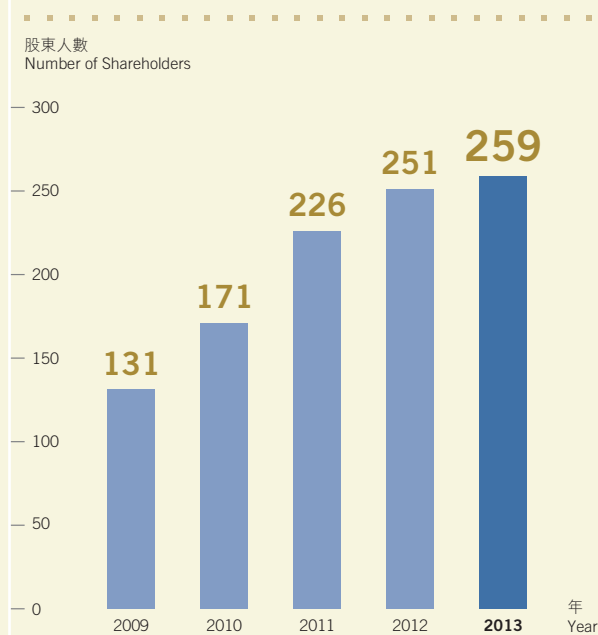
Specific enquiries and suggestions by shareholders can be sent in writing to the Board or the Company Secretary at our registered address or by e-mail to our Company at ir@hanglung.com. In addition, shareholders can contact Computershare Hong Kong Investor Services Limited, the share registrar of the Company, if they have any enquiries about the shareholdings and entitlement to dividend. Relevant contact details are set out under "Listing Information" of this annual report.



本公司上屆週年大會於二零一三年四月十八日在香港金鐘道八十八號太古廣場港麗酒店大堂低座港麗大禮堂舉行，合共有二百五十九位股東親身或委派代表出席大會。會上，董事長要求以投票方式表決每項決議案，及已向股東提供以投票方式進行表決的詳細程序。所有於二零一三年週年大會上提呈的決議案，其中包括財務報表之採納、重選董事、重聘核數師及再次給予一般授權均以投票方式表決，投票表決結果於同日傍晚在本公司及香港交易所之網頁刊登。於二零一三年，本公司的組織章程大綱及章程細則並無任何修改。

Our last AGM was held on April 18, 2013 at Grand Ballroom, Lower Lobby, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong. The meeting was attended by 259 shareholders present in person or by proxy. At the meeting, the Chairman had demanded a poll on each of the resolutions submitted for voting, and the shareholders were provided with detailed procedures for conducting a poll. All resolutions tabled at the 2013 AGM, inter alia, adoption of the financial statements, re-election of Directors, re-appointment of auditor and renewal of general mandates were voted on by poll, and the results of poll voting were posted on the websites of our Company and of HKEx in the evening on the same day. There are no changes in our memorandum and articles of association in 2013.

參與週年大會的股東人數 Shareholders Participation in AGMs





企業管治報告

Corporate Governance Report

董事局將於二零一四年四月二十四日舉行之週年大會上動議對本公司之組織章程大綱及章程細則作出若干修訂（「修訂建議」），使其與將於二零一四年三月三日生效之新《公司條例》一致，詳情載於連同本年報一併寄發的股東通函內。下個財政年度與股東相關的重要日期，包括就考慮派發截至二零一四年十二月三十一日止年度之中期股息及末期股息而舉行的董事局會議的日期，以及週年大會日期，分別約於二零一四年七月底、二零一五年一月底，以及二零一五年四月舉行。

2. 投資者

於二零一三年十二月三十一日之股東所屬地詳情如下：

To align with the new Companies Ordinance to become effective from March 3, 2014, the Board proposed to make certain amendments to the memorandum and articles of association of the Company at the forthcoming AGM to be held on April 24, 2014. Details are set out in the circular to shareholders to be sent together with this annual report. The important shareholders' dates for the coming financial year, which include the Board Meetings for considering the payments of interim and final dividends for the year ending December 31, 2014 and the AGM, are expected to be held at around late July 2014, late January 2015 and in April 2015 respectively.

2. Investors

Details of shareholders by domicile as at December 31, 2013 are as follows:

所屬地	Domicile	股東 Shareholders		持股量 Shareholdings	
		人數 Number	百分比 %	股份數目 Number of Shares	百分比 %
香港	Hong Kong	2,986	94.37	4,469,363,815	99.79
中國內地	Mainland China	56	1.77	3,916,820	0.09
澳門	Macau	6	0.19	376,923	0.01
台灣	Taiwan	2	0.07	593	0.00
澳洲及新西蘭	Australia and New Zealand	9	0.28	14,105	0.00
加拿大及美國	Canada and USA	48	1.52	2,592,550	0.05
東南亞	South East Asia	44	1.39	2,611,917	0.06
英國	United Kingdom	9	0.28	15,585	0.00
其他	Others	4	0.13	3,362	0.00
總計	TOTAL	3,164	100.00	4,478,895,670	100.00



於二零一三年十二月三十一日之股東持股量組別詳情如下：

Details of shareholders by holding range as at December 31, 2013 are as follows:

持股量組別	Holding Range	股東*		持股量*	
		Shareholders*		Shareholdings*	
		人數	百分比	股份數目	百分比
		Number	%	Number of Shares	%
1 - 1,000 股	1 - 1,000 shares	1,448	45.76	692,846	0.02
1,001 - 5,000股	1,001 - 5,000 shares	808	25.54	2,248,652	0.05
5,001 - 10,000股	5,001 - 10,000 shares	330	10.43	2,706,932	0.06
10,001 - 100,000股	10,001 - 100,000 shares	479	15.14	16,506,463	0.37
100,000股以上	Over 100,000 shares	99	3.13	4,456,740,777	99.50
總計	TOTAL	3,164	100.00	4,478,895,670	100.00

* 包括四百一十一名參與中央結算及交收系統之人士，彼等在所屬之持股量組別內，以香港中央結算代理人有限公司名義登記持有合共二十八億一千三百七十七萬八千三百八十四股股份

* incorporating, in their respective shareholdings range, 411 participants of Central Clearing and Settlement System holding a total of 2,813,778,384 shares registered in the name of HKSCC Nominees Limited

截至本年報日期，根據本公司可以得悉而本公司董事亦知悉之公開資料，本公司已維持上市規則訂明之公眾持股量。

Based on the information that is publicly available to the Company and within the knowledge of the Directors of the Company as at the date of this annual report, the Company has maintained the prescribed public float under the Listing Rules.

本公司致力向股東和投資者披露其業務之相關資料，除透過本公司之年報及中期報告外，亦定期與分析員會面；舉行記者會；發放新聞稿和電郵；以及在本公司網頁提供資料。股東、投資者、傳媒或公眾人士之所有查詢及建議，均由執行董事、公司秘書或適當之主要行政人員負責解答。

We are committed to disclosing relevant information on our activities to our shareholders and investors through regular analysts' briefings, press conferences and press releases, e-mails and our website, apart from through our annual and interim reports. All enquiries and proposals received from shareholders, investors, media or the public are responded to by Executive Directors, the Company Secretary or appropriate key executives.

任何人士均可登上本公司之網頁查閱本公司之資料。本公司之網頁除提供財務等傳統資料外，亦提供本公司其他最新資料，包括可供出售物業、租賃物業、最新之已發行股份數目、主要股東之股份權益、公司刊物、公司大事紀要及常見問題等。

The Company's information is accessible to all via our website. Besides providing traditional financial data, our website also contains the most current information including properties available for sale and leasing, latest number of issued shares, updated substantial shareholders' interests in shares, newsletters, major corporate events and frequently asked questions.

遵守企業管治守則

作為良好的企業公民，我們已採納及完全遵守企業管治守則，並在許多情況下超越企業管治守則之守則條文及部分建議最佳常規。

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

As good corporate citizens, we have adopted and fully complied with, and in many cases exceeded, the code provisions and some recommended best practices of the CG Code.



董事簡介

Profile of the Directors



陳啟宗先生

Mr Ronnie Chichung Chan

董事長 Chairman

陳先生現年六十四歲，於一九七二年加盟本集團，一九八六年獲委任加入恒隆地產有限公司董事局並於一九九一年出任董事長。彼亦為恒隆集團有限公司之董事長。陳先生為香港地產建設商會副會長、亞洲協會聯席主席兼其香港分會會長，及中國發展研究基金會理事會顧問。陳先生亦為多個國際智庫和大學的董事局或顧問委員會成員，包括香港科技大學、美國南加州大學、北京清華大學及上海復旦大學等。陳先生持有美國南加州大學工商管理學碩士。

Aged 64, Mr Chan joined the Group in 1972 and was appointed to the Board of Hang Lung Properties Limited in 1986 before becoming Chairman in 1991. He also serves as Chairman of Hang Lung Group Limited. Mr Chan is Vice-President of The Real Estate Developers Association of Hong Kong, Co-Chair of Asia Society and Chairman of its Hong Kong Center. He also acts as an advisor to China Development Research Foundation in Beijing. Mr Chan sits on the governing or advisory bodies of several think-tanks and universities, including The Hong Kong University of Science and Technology, University of Southern California, USA, where he received his MBA, Tsinghua University in Beijing and Fudan University in Shanghai.



殷尚賢先生

Mr Shang Shing Yin

副董事長（獨立非執行董事）
Vice Chairman (Independent Non-Executive Director)

殷先生現年八十二歲，於一九七零年加盟恒隆，一九八零年獲委任加入恒隆地產有限公司董事局，自一九九二年卸任董事總經理後出任副董事長。殷先生在物業投資及發展方面積逾四十年經驗，且為資深銀行家，並於英國倫敦獲英國銀行學會頒授銀行學文憑。彼亦兼任恒隆集團有限公司之副董事長。

Aged 82, Mr Yin joined Hang Lung in 1970 and was appointed to the Board of Hang Lung Properties Limited in 1980. A past Managing Director, he has been Vice Chairman since 1992. He has over 40 years of experience in the fields of property investment and development, and is a qualified banker with a Banking Diploma from The Chartered Institute of Bankers in London, UK. Mr Yin also serves as Vice Chairman of Hang Lung Group Limited.



陳南祿先生

Mr Philip Nan Lok Chen

董事總經理 Managing Director

陳先生現年五十八歲，於二零一零年七月加盟本公司及其上市控股公司恒隆集團有限公司出任董事總經理。陳先生擁有逾三十年的管理經驗，期間主要任職於航空界，不論在香港、中國內地以及世界各地，都具備豐富經驗。陳先生一九七七年畢業於香港大學取得文學士學位，其後取得該大學的工商管理碩士學位。

Aged 58, Mr Chen joined the Company and its listed holding company, Hang Lung Group Limited, as Managing Director in July 2010. Mr Chen has more than 30 years of management experience, mostly in the aviation industry, acquiring a wealth of experience in Hong Kong, Mainland China and beyond. Mr Chen graduated from the University of Hong Kong in 1977 with a Bachelor of Arts degree and holds a Master's degree in Business Administration from the same university.



袁偉良先生

Mr Nelson Wai Leung Yuen

非執行董事 Non-Executive Director

袁先生現年六十三歲，於二零一一年三月獲委任為非執行董事。彼於一九七八年加盟恒隆，於一九八六年出任本公司之執行董事，並於一九九二年獲委任為本公司及其控股公司恒隆集團有限公司之董事總經理，直至於二零一零年七月退休。彼畢業於英國曼徹斯特大學，為英格蘭及威爾斯特許會計師公會資深會員。

Aged 63, Mr Yuen was appointed as a Non-Executive Director in March 2011. He joined Hang Lung in 1978, became an Executive Director of the Company in 1986, and was appointed as Managing Director of the Company and its holding company, Hang Lung Group Limited, in 1992. He held this position until his retirement in July 2010. He is a graduate of The University of Manchester, UK and a Fellow of The Institute of Chartered Accountants in England and Wales.



董事簡介

Profile of the Directors



夏佳理先生 大紫荊勳賢、CVO、金紫荊星章、OBE、太平紳士

Mr Ronald Joseph Arculli GBM, CVO, GBS, OBE, JP

獨立非執行董事 Independent Non-Executive Director

夏先生現年七十五歲，於一九八零年加入董事局。夏先生為執業律師，並自一九八八年起至二零零零年止擔任香港立法局議員，於一九九一年至二零零零年期間代表地產及建造界功能組別。彼曾於二零零五年十一月至二零一二年六月出任香港特別行政區行政會議非官守議員一職，並於二零一一年十月至二零一二年六月期間擔任召集人。夏先生曾於二零零六年四月至二零一二年四月出任香港交易及結算有限公司之獨立非執行主席，其後留任為獨立非執行董事，直至二零一三年四月退任。彼亦曾擔任多個政府委員會及諮詢團體成員，社會事務工作傑出。夏先生為南華早報集團有限公司之獨立非執行董事，以及香港興業國際集團有限公司、電能實業有限公司、和記港陸有限公司、信和酒店（集團）有限公司、信和置業有限公司及尖沙咀置業集團有限公司之非執行董事。

Aged 75, Mr Arculli joined the Board in 1980. Mr Arculli is a practicing solicitor and was a Member of the Legislative Council of Hong Kong from 1988 to 2000, representing the Real Estate and Construction functional constituency between 1991 and 2000. He was a non-official member of the Executive Council of the HKSAR from November 2005 to June 2012, and served as Convenor from October 2011 to June 2012. Mr Arculli was the Independent Non-Executive Chairman of Hong Kong Exchanges and Clearing Limited from April 2006 to April 2012, and remained as an Independent Non-Executive Director until his retirement in April 2013. He has a distinguished record of public service and has served on numerous government committees and advisory bodies. Mr Arculli is an Independent Non-Executive Director of SCMP Group Limited and a Non-Executive Director of HKR International Limited, Power Assets Holdings Limited, Hutchison Harbour Ring Limited, Sino Hotels (Holdings) Limited, Sino Land Company Limited and Tsim Sha Tsui Properties Limited.



鄭漢鈞博士 金紫荊星章、OBE、太平紳士

Dr Hon Kwan Cheng GBS, OBE, JP

獨立非執行董事 Independent Non-Executive Director

鄭博士現年八十六歲，於一九九三年加盟本集團。鄭博士持有天津大學工程學學士學位及英國倫敦帝國學院深造文憑，並為英國倫敦帝國學院資深院士。彼為香港工程師學會之前會長及該會榮譽資深會員及金獎章獲得者，亦為香港工程科學院院士、英國結構工程師學會前副會長、該會資深會員及金獎章獲得者、英國土木工程師學會資深會員、澳洲工程師學會榮譽資深會員，以及香港建築物條例之認可人士及香港註冊結構工程師，具有國家一級註冊結構工程師資格。鄭博士曾為行政及立法兩局議員以及香港房屋委員會主席。鄭博士為永亨銀行有限公司、雅居樂地產控股有限公司及天津發展控股有限公司之獨立非執行董事。彼亦為恒隆集團有限公司之獨立非執行董事。

Aged 86, Dr Cheng joined the Group in 1993. Dr Cheng obtained an engineering degree from Tianjin University and a postgraduate diploma from Imperial College, London, UK, of which he is a Fellow. He is a past President, Honorary Fellow and Gold Medallist of The Hong Kong Institution of Engineers, Fellow of the Hong Kong Academy of Engineering Sciences, and past Vice President, Fellow and Gold Medallist of The Institution of Structural Engineers, Fellow of The Institution of Civil Engineers, UK, Honorary Fellow of The Institution of Engineers, Australia, and an Authorized Person and Registered Structural Engineer in Hong Kong, with a State Class 1 Registered Structural Engineer qualification. Dr Cheng was a Member of both the Executive and Legislative Councils and Chairman of the Hong Kong Housing Authority. Dr Cheng is an Independent Non-Executive Director of Wing Hang Bank, Limited, Agile Property Holdings Limited and Tianjin Development Holdings Limited. He is also an Independent Non-Executive Director of Hang Lung Group Limited.



董事簡介

Profile of the Directors



陳樂怡女士

Ms Laura Lok Yee Chen

獨立非執行董事 Independent Non-Executive Director

陳女士現年六十五歲，於一九九七年加盟恒隆。彼自八十年代初活躍於美國及香港之金融/地產行業，為一位經驗豐富之專業人士。陳女士自一九九三年起出任私人投資企業常興集團之執行董事，管理環球資本市場之不同組合；自二零零零年起，轉為關注發展及管理慈善範疇，現為一家香港私人基金之執行主席。陳女士對非牟利機構的良好企業管治與能力建設，以及具影響力的私人/公共合夥企業之創立尤感關注。彼現為亞洲協會香港中心之信託人，以及約翰霍普金斯大學與南京大學合作的中美文化研究中心之顧問委員會成員。陳女士為美國首都華盛頓喬治華盛頓大學工商管理學系碩士，並持有美國維珍尼亞大學國際銀行學深造證書。彼亦為恒隆集團有限公司之獨立非執行董事。

Aged 65, Ms Chen joined Hang Lung in 1997. As an experienced professional, Ms Chen has been active in the financial/real estate industries both in the United States and in Hong Kong since the early 80's. Since 1993 she became an executive director of the Sterling Group — a private investment entity managing various portfolios in global capital markets. From 2000 onwards, Ms Chen has transitioned her interest into the development and management in the philanthropic arena. She is currently the executive chair of a Hong Kong based private foundation. She is particularly interested in good corporate governance of and capacity building for non-profit organizations, and in the creation of high impact private/public partnerships. Ms Chen serves as a Trustee of Asia Society Hong Kong Center, and is an advisory council member of Johns Hopkins University's Hopkins Nanjing Center. She holds an MBA from the George Washington University in Washington, DC, USA, and a postgraduate certificate in International Banking from the University of Virginia, USA. Ms Chen is also an Independent Non-Executive Director of Hang Lung Group Limited.



廖柏偉教授 銀紫荊星章、太平紳士

Professor Pak Wai Liu SBS, JP

獨立非執行董事 Independent Non-Executive Director

廖教授現年六十六歲，於一九九八年加入董事局為獨立非執行董事。廖教授獲頒美國普林斯頓大學學士學位及史丹福大學博士學位，為前任香港中文大學副校長，現為研究教授。彼出任多項經濟研究要職，包括擔任香港亞太研究所經濟研究中心主任及東亞經濟學會副會長。廖教授曾任全球經濟及金融研究所所長及於二零零零至零一年年度獲委任為美國富布賴特(Fulbright)傑出訪問學人。廖教授服務多個政府諮詢機構，現為前任行政長官及政治委任官員離職後工作諮詢委員會之會員及香港特別行政區長遠財政計劃工作小組之委員。彼亦曾為策略發展委員會、香港特別行政區行政會議成員、立法會議員及政治委任制度官員薪津獨立委員會、臨時最低工資委員會、香港特別行政區區議會議員薪津獨立委員會，以及航空發展諮詢委員會之委員。彼現為香港金融管理局屬下香港金融研究中心之董事，亦曾出任證券及期貨事務監察委員會之非執行董事及其薪酬委員會主席。廖教授現為載通國際控股有限公司之獨立非執行董事。彼於一九九九年獲授勳銀紫荊星章，並於二零零六年獲委任為太平紳士。

Aged 66, Professor Liu joined the Board as an Independent Non-Executive Director in 1998. He received his AB degree from Princeton University and Ph.D degree from Stanford University in the US. Professor Liu is Research Professor and was formerly Pro-Vice-Chancellor of the Chinese University of Hong Kong. He holds a number of positions related to his field of study, including Director of the Economic Research Centre of the Hong Kong Institute of Asia-Pacific Studies and Vice-President of The East Asian Economic Association. He was formerly Director of the Institute of Global Economics and Finance and was appointed Distinguished Fulbright Scholar in 2000-01. Professor Liu serves on many government advisory bodies. He is a member of the Advisory Committee on Post-Office Employment for Former Chief Executives and Politically Appointed Officials and the Working Group on Long-Term Fiscal Planning of the HKSAR. He was a past member of the Commission on Strategic Development, the Independent Commission on Remuneration for Members of the Executive Council and the Legislature, and Officials under the Political Appointment System of the HKSAR, the Provisional Minimum Wage Commission, the Independent Commission on Remuneration for the Members of the District Councils of the HKSAR and the Aviation Development Advisory Committee. He is also a Director of the Hong Kong Institute for Monetary Research of the Hong Kong Monetary Authority, and was a Non-Executive Director of the Securities and Futures Commission and Chairman of its Remuneration Committee. Professor Liu is an Independent Non-Executive Director of Transport International Holdings Limited. He was awarded the Silver Bauhinia Star (SBS) in 1999, and appointed Justice of Peace (JP) in 2006.



董事簡介

Profile of the Directors



何潮輝先生

Mr Dominic Chiu Fai Ho

獨立非執行董事 Independent Non-Executive Director

何先生現年六十三歲，於二零零八年四月加入董事局為獨立非執行董事。何先生曾任畢馬威會計師事務所（中國／香港特別行政區）主席，並於二零零七年三月三十一日退休。何先生在美國休斯敦大學取得學位，為美國註冊會計師協會會員及香港會計師公會會員。何先生曾擔任香港廉政公署防止貪污諮詢委員會委員，以及香港保險業諮詢委員會成員。何先生亦為 Singapore Telecommunications Limited 之非執行及獨立董事。

Aged 63, Mr Ho joined the Board as an Independent Non-Executive Director in April 2008. Mr Ho retired as co-chairman of KPMG, China and HKSAR on March 31, 2007. He obtained his degrees at the University of Houston in the United States and is a member of the American Institute of Accountants and a member of the Hong Kong Institute of Certified Public Accountants. He was a past member of the Corruption Prevention Advisory Committee of the Independent Commission Against Corruption and of the Insurance Advisory Committee, both in Hong Kong. Mr Ho is also a Non-Executive and Independent Director of Singapore Telecommunications Limited.



何孝昌先生

Mr Hau Cheong Ho

執行董事 Executive Director

何先生現年五十四歲，於二零零八年加盟本集團，並於二零一零年九月獲委任為本公司及其控股公司恒隆集團有限公司之董事局成員。彼現為本公司之首席財務總監。何先生在英國、澳洲、中國內地以及香港之廣泛行業中擁有逾三十年之管理經驗。彼分別為英格蘭及威爾斯以及澳洲的特許會計師，並持有澳洲墨爾本大學工商管理碩士學位及英國伯明翰大學商業（會計）學士學位。

Aged 54, Mr Ho joined the Group in 2008 and was appointed to the Board of the Company and of its holding company, Hang Lung Group Limited, in September 2010. He is the Chief Financial Officer of the Company. Mr Ho possesses more than 30 years of management experience covering a wide range of industries in England, Australia, Mainland China and Hong Kong. He qualified as a chartered accountant in England and Wales and Australia and holds an MBA from the University of Melbourne, Australia and a Bachelor of Commerce Degree in Accounting from the University of Birmingham, UK.



主要行政人員簡介

Profile of Key Executives

陳家岳先生

董事 — 租務及銷售

陳先生現年六十一歲，於二零一三年加盟本集團出任董事 — 租務及銷售。陳先生負責制定及執行香港及中國內地物業租務及管理發展之策略及業務計劃。彼在房地產租務及銷售方面擁有逾三十年管理經驗。陳先生持加拿大艾伯塔大學商業學學士學位。彼為艾伯塔特許會計師公會註冊會計師、香港會計師公會註冊會計師及資深會員。

蔡碧林女士

公司秘書、總法律顧問及助理董事 — 集團事務

蔡女士現年四十三歲，於二零一一年加入集團為公司秘書、總法律顧問及助理董事 — 集團事務，負責管理本集團的公司秘書、法律及人力資源及培訓的職務。彼於加盟本集團前曾於另外兩間香港聯合交易所有限公司上市公司擔任法律主管及公司秘書多年。蔡女士為香港執業律師，並持有香港中文大學之工商管理碩士學位及香港大學之法學學位。

張啟華先生

助理董事 — 成本及監控

張先生現年五十三歲，於二零一三年加盟集團出任成本及監控總監，並於二零一四年一月獲委任為助理董事 — 成本及監控。張先生擁有逾三十年豐富的內地及香港成本及監控管理經驗。彼持有澳洲新南威爾斯大學建造管理學碩士學位。彼亦為香港註冊專業測量師（工料測量）、香港營造師學會資深會員、英國特許建造學會資深會員、英國皇家特許測量師學會資深會員、香港測量師學會資深會員、英國特許仲裁學會會員及英國造價工程師學會會員。彼亦為深圳市造價工程師協會榮譽會員及持有中國註冊造價工程師資格。

Mr Norman Ka Ngok Chan

Director – Leasing & Sales

Aged 61, Mr Chan joined the Group in 2013 as Director – Leasing & Sales. He is responsible for formulating and implementing strategies and business plans for the development of the Group's property leasing and management in Hong Kong and on the Mainland. Mr Chan possesses over 30 years of experience in property leasing and management. He holds a Bachelor of Commerce degree from The University of Alberta, Canada. He is a Chartered Accountant of The Institute of Chartered Accountants of Alberta, a Fellow Member and a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants.

Ms Bella Peck Lim Chhoa

Company Secretary, General Counsel and Assistant Director – Corporate Affairs

Aged 43, Ms Chhoa joined the Group as Company Secretary, General Counsel and Assistant Director – Corporate Affairs in 2011. She is responsible for overseeing the company secretarial, legal and human resources and training functions of the Group. Prior to joining the Group, she was head of the legal department and company secretary of two other companies listed on The Stock Exchange of Hong Kong Limited for a number of years. Ms Chhoa is a solicitor qualified to practice in Hong Kong. She holds a Master of Business Administration degree from The Chinese University of Hong Kong and a Bachelor degree in Law from The University of Hong Kong.

Mr Gabriel Kai Wah Cheung

Assistant Director – Cost & Controls

Aged 53, Mr Cheung joined the Group as Head of Cost & Controls in 2013 and was appointed as Assistant Director – Cost & Controls in January 2014. Mr Cheung possesses over 30 years of experience in cost & controls management in Hong Kong and on the Mainland. Mr Cheung holds a Master of Construction Management degree from the University of New South Wales, Australia. He is a Registered Professional Surveyor (Quantity Surveying) of Hong Kong, a Fellow of the Hong Kong Institute of Construction Managers, a Fellow of the Chartered Institute of Building, a Fellow of the Royal Institution of Chartered Surveyors, a Fellow of the Hong Kong Institute of Surveyors, a Member of the Chartered Institute of Arbitrators and a Member of the Association of Cost Engineers. He is also an Honorary Fellow of the Shenzhen Cost Engineer Association and holds the qualification for Registered Cost Engineer in mainland China.



主要行政人員簡介

Profile of Key Executives

關則輝先生

助理董事 — 集團傳訊

關先生現年五十四歲，於二零一一年加盟集團出任助理董事 — 集團傳訊。關先生擁有逾二十五年任職於公共關係及集團事務的經驗。彼持有加拿大西安大略大學行政人員工商管理碩士學位及香港大學文學士學位。

梁鼎新先生

助理董事 — 項目建設

梁先生現年五十三歲，於二零一四年一月加盟集團出任助理董事 — 項目建設。梁先生擁有逾二十八年於中國內地及海外之項目發展及管理的經驗。彼持有香港大學建築策劃管理學研究文憑、加拿大麥基爾大學建築學學士及建築學理學士學位。彼亦為香港註冊建築師、香港建築師學會會員及擁有中華人民共和國一級註冊建築師資格。

梁煥添先生

助理董事 — 項目發展

梁先生現年四十六歲，於二零零七年加盟集團出任高級經理 — 項目建設，並於二零一一年獲委任為助理董事 — 項目發展。梁先生擁有逾二十年任職顧問公司及於內地發展項目之工程設計的經驗。彼持有香港大學建築學文學學士及建築學學士學位。彼亦為香港註冊建築師、香港建築師學會之會員及建築物條例之認可人士。

勞建亮先生

助理董事 — 項目建設

勞先生現年五十三歲，於二零一三年加盟集團出任助理董事 — 項目建設。勞先生擁有逾二十五年任職顧問公司及地產發展商之建築設計及項目管理的經驗。彼持有亞洲（澳門）國際公開大學工商管理學碩士、香港大學建築學學士及建築學文學士學位。彼亦為香港註冊建築師、建築物條例認可人士及香港建築師學會會員。

Mr Chuk Fai Kwan

Assistant Director – Corporate Communications

Aged 54, Mr Kwan joined the Group as Assistant Director – Corporate Communications in 2011. Mr Kwan possesses over 25 years of experience in public relations and corporate affairs. He holds an Executive MBA degree from The University of Western Ontario, Canada, and a Bachelor of Arts degree from The University of Hong Kong.

Mr Peter Ting San Leung

Assistant Director – Project Construction

Aged 53, Mr Leung joined the Group as Assistant Director – Project Construction in January 2014. Mr Leung possesses over 28 years of experience in developing and managing projects on the Mainland and overseas. He holds a Postgraduate Diploma in Construction Project Management from The University of Hong Kong, a Bachelor of Architecture degree and a Bachelor of Science (Architecture) degree from McGill University, Canada. He is also a Registered Architect in Hong Kong, a Member of The Hong Kong Institute of Architects and holds a PRC Class 1 Registered Architect Qualification.

Mr Moses Woon Tim Leung

Assistant Director – Project Planning

Aged 46, Mr Leung joined the Group as Senior Manager – Project Construction in 2007 and was appointed as Assistant Director – Project Planning in 2011. He possesses over 20 years of experience in project design with various consultant firms and in exposure to Mainland projects. Mr Leung holds a Bachelor of Arts degree in Architectural Studies and a Bachelor of Architecture degree from The University of Hong Kong. He is a Registered Architect in Hong Kong, a Member of The Hong Kong Institute of Architects and an Authorized Person under the Buildings Ordinance.

Mr Adrian Kin Leung Lo

Assistant Director – Project Construction

Aged 53, Mr Lo joined the Group as Assistant Director – Project Construction in 2013. Mr Lo possesses over 25 years of experience in architectural design and project management for both Hong Kong and Mainland projects. Mr Lo holds a Master of Business Administration degree from the Asia International Open University, Macau, a Bachelor of Architecture degree and a Bachelor of Arts degree in Architectural Studies from The University of Hong Kong. He is also a Registered Architect in Hong Kong, an Authorized Person under the Buildings Ordinance and a Member of The Hong Kong Institute of Architects.



呂奕亮先生

助理董事 — 項目建設

呂先生現年五十一歲，於二零一零年加盟集團出任助理董事 — 項目建設。呂先生曾於著名地產發展商及顧問公司任職，擁有逾三十年之建築設計、業務發展和項目管理的經驗。彼亦於中國內地及亞太區具有物業發展及物業管理的經驗。呂先生持有澳洲紐卡斯大學建築學理學學士及建築學學士學位。彼為新加坡註冊建築師、英國皇家建築師協會及新加坡建築師協會之會員。

麥偉民先生

助理董事及集團財務總監

麥先生現年五十歲，於二零一一年加盟集團出任助理董事及集團財務總監。彼擁有二十五年之財務、審計及公司秘書的經驗。麥先生持有英國華威大學工商管理碩士學位。彼為香港會計師公會會員及英國公認會計師公會資深會員。

甄婉兒女士

助理董事 — 租務及物業管理

甄女士現年四十六歲，於二零一四年二月加盟集團出任助理董事 — 租務及物業管理。甄女士擁有逾二十年房地產租務及管理經驗。彼持有香港大學文學士學位。

姚永聰先生

助理董事 — 租務及物業管理

姚先生現年四十三歲，於二零一一年加盟集團出任助理董事 — 集團審計，並於二零一三年獲委任為助理董事 — 租務及物業管理。姚先生擁有逾十五年任職於財務、內部審計及內地稅務的經驗。彼持有美國加州州立大學工商管理碩士學位及澳洲蒙納士大學經濟學學士學位。彼為澳洲公認執業會計師公會之公認執業會計師、香港會計師公會會員及內部審計師協會會員。

Mr Gavin Yee Liang Lu

Assistant Director – Project Construction

Aged 51, Mr Lu joined the Group as Assistant Director – Project Construction in 2010. Mr Lu possesses over 30 years of experience in architectural design, business development and project management with major property developers and leading consultants. He has extensive exposure to property development and property management on the Mainland and in the Asia Pacific region. Mr Lu has a Bachelor of Science degree in Architecture and a Bachelor of Architecture degree from The University of Newcastle, Australia. He is a Registered Architect in Singapore, a Member of The Royal Institute of British Architects and a Member of The Singapore Institute of Architects.

Mr Raymond Wai Man Mak

Assistant Director and Group Financial Controller

Aged 50, Mr Mak joined the Group as Assistant Director & Group Financial Controller in 2011. Mr Mak possesses 25 years of experience in finance, auditing and as company secretary. He holds a Master of Business Administration degree from The University of Warwick, UK. He is a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants and a Fellow Member of the Chartered Association of Certified Accountants, UK.

Ms Mary Yuen Yee Yan

Assistant Director – Leasing & Management

Aged 46, Ms Yan joined the Group as Assistant Director – Leasing & Management in February 2014. Ms Yan possesses over 20 years of experience in property leasing and management. She holds a Bachelor of Arts degree from The University of Hong Kong.

Mr William Wing Chung Yiu

Assistant Director - Leasing & Management

Aged 43, Mr Yiu joined the Group as Assistant Director – Corporate Audit in 2011 and was appointed as Assistant Director – Leasing & Management in 2013. Mr Yiu possesses over 15 years of finance, internal audit and mainland China taxation experience. He holds a Master of Business Administration degree from the California State University, Hayward, USA, and a Bachelor of Economics degree from Monash University, Australia. He is a Certified Practising Accountant of the Australian Society of Certified Practising Accountants, an Associate of the Hong Kong Institute of Certified Public Accountants and a Member of the Institute of Internal Auditors.



董事局報告

Report of the Directors

董事局欣然提呈截至二零一三年十二月三十一日止年度之董事局報告及已審核財務報表。

主要業務

本公司之主要業務為控股投資，並透過其附屬公司投資物業以供收租、發展物業以供出售及租賃，以及停車場管理與物業管理。

財政年度內按經營分部分析之本公司及其附屬公司（統稱「本集團」）之營業額及業績載於財務報表附註第三項內。

主要附屬公司及合營企業

主要附屬公司及合營企業，連同其營業及註冊地點、已發行股本/註冊資本等資料載於財務報表附註第三十五及三十六項內。

業績

本集團截至二零一三年十二月三十一日止年度之溢利及本公司與本集團於該日之財務狀況載於財務報表第一百四十八至二百一十七頁內。

十年財務概覽

本集團過去十個財政年度之業績、資產及負債概要載於第二百一十八頁內。

The directors have pleasure in submitting their report together with the audited Financial Statements for the year ended December 31, 2013.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding, and through its subsidiaries, property investment for rental income, property development for sales and leasing, car park management and property management.

An analysis of the turnover and trading results of the Company and its subsidiaries (collectively referred to as the “Group”) by operating segments during the financial year is set out in Note 3 on the Financial Statements.

PRINCIPAL SUBSIDIARIES AND JOINT VENTURES

A list of principal subsidiaries and joint ventures, together with their places of operations and incorporation and particulars of their issued share capital/registered capital is set out in Notes 35 and 36 on the Financial Statements.

FINANCIAL RESULTS

The profit of the Group for the year ended December 31, 2013, and the state of affairs of the Company and of the Group at that date are set out in the Financial Statements on pages 148 to 217.

TEN-YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last ten financial years is set out on page 218.



股息

董事現建議派發末期股息每股港幣五角八仙，連同於二零一三年九月二十六日已派發之中期股息每股港幣一角七仙，截至二零一三年十二月三十一日止年度之全年派息將合共為每股港幣七角五仙。擬派發之末期股息倘於二零一四年四月二十四日舉行之股東週年大會中獲股東通過，將於二零一四年五月十五日派發予二零一四年四月三十日名列股東名冊之股東。

主要供應商及客戶

年內本集團五大供應商合共所佔之購貨額百分比及本集團五大客戶合共所佔之營業額或銷售額百分比各不超過本集團總購貨額及營業額或銷售額百分之三十。

儲備

年內本公司及本集團之儲備變動情況載於財務報表附註第二十三項內。

捐款

年內本集團之捐款為港幣一千六百萬元（二零一二年：港幣一千四百萬元）。

固定資產

年內固定資產之變動詳情載於財務報表附註第十二項內。

DIVIDENDS

The directors now recommend a final dividend of HK58 cents per share which, together with the interim dividend of HK17 cents per share paid on September 26, 2013, makes a total of HK75 cents per share in respect of the year ended December 31, 2013. The proposed final dividend, if approved by the shareholders at the annual general meeting on April 24, 2014, will be paid on May 15, 2014 to shareholders whose names appear on the register of members on April 30, 2014.

MAJOR SUPPLIERS AND CUSTOMERS

During the year, both the percentage of purchases attributable to the Group's five largest suppliers combined and the percentage of turnover or sales attributable to the Group's five largest customers combined were less than 30% of the total purchases and turnover or sales of the Group respectively.

RESERVES

Movements in the reserves of the Company and of the Group during the year are set out in Note 23 on the Financial Statements.

DONATIONS

Donations made by the Group during the year amounted to HK\$16 million (2012: HK\$14 million).

FIXED ASSETS

Details of movements in fixed assets during the year are set out in Note 12 on the Financial Statements.



董事局報告

Report of the Directors

銀行貸款及其他借貸

本集團於二零一三年十二月三十一日之銀行貸款及其他借貸情況載於財務報表附註第十九項內。

資本化之借貸支出

年內本集團資本化之借貸支出款項為港幣七億一千六百萬元（二零一二年：港幣三億九千三百萬元）。

集團主要物業

於二零一三年十二月三十一日本集團主要物業之詳情載於第七十四至七十九頁內。

股本

年內因根據本公司之股份期權計劃行使股份期權而發行了二百三十二萬九千六百二十五股（二零一二年：三百七十九萬六千股）每股港幣一元之繳足股份，總代價為港幣四千五百一十五萬五千零二十元（二零一二年：港幣五千九百八十二萬七千零八十元）。

年內本公司股本之變動詳情載於財務報表附註第二十二項內。

BANK LOANS AND OTHER BORROWINGS

Particulars of bank loans and other borrowings of the Group as at December 31, 2013 are set out in Note 19 on the Financial Statements.

BORROWING COSTS CAPITALIZATION

Borrowing costs capitalized by the Group during the year amounted to HK\$716 million (2012: HK\$393 million).

MAJOR GROUP PROPERTIES

Details of major properties of the Group as at December 31, 2013 are set out on pages 74 to 79.

SHARE CAPITAL

During the year, as a result of the exercise of share options under the Company's share option schemes, 2,329,625 shares (2012: 3,796,000 shares) of HK\$1.00 each, fully paid, were issued for total consideration of HK\$45,155,020 (2012: HK\$59,827,080).

Details of movements in share capital of the Company during the year are set out in Note 22 on the Financial Statements.



董事

於本報告日之本公司董事名單載於第二百一十九頁內，而彼等之簡歷載於第一百二十六至第一百三十二頁內。彼等之薪酬詳情載於財務報表附註第七項內。

遵照本公司組織章程細則第一百零三及一百零四條規定，袁偉良先生、鄭漢鈞博士、陳樂怡女士及廖柏偉教授於應屆股東週年大會上輪值告退，惟願參選連任。

董事之服務合約

擬於將舉行之股東週年大會上參選連任之董事並無與本公司、其控股公司或彼等之任何附屬公司訂立於一年內倘終止須作出賠償（法定賠償除外）之服務合約。

董事之合約權益

於年內任何時間或年結日，本公司董事並無在本公司、其控股公司或彼等之任何附屬公司之任何與本集團業務有關的重要合約中直接或間接擁有重大權益。

DIRECTORS

The directors of the Company as at the date of this report are listed on page 219 and their brief biographical details are set out on pages 126 to 132. Details of their remuneration are set out in Note 7 on the Financial Statements.

In accordance with articles 103 and 104 of the Company's articles of association, Mr Nelson W.L. Yuen, Dr H.K. Cheng, Ms Laura L.Y. Chen and Prof P.W. Liu retire from the board by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

DIRECTORS' SERVICE CONTRACTS

No director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company, its holding company or any of their subsidiaries which is not determinable within one year without payment of compensation (other than statutory compensation).

DIRECTORS' INTERESTS IN CONTRACTS

No contract of significance in relation to the Group's business to which the Company, its holding company or any of their subsidiaries was a party, and in which a director of the Company was materially interested, whether directly or indirectly, subsisted at any time during the year or at the end of the year.



董事局報告

Report of the Directors

董事於股份、相關股份及債權證之權益及淡倉

根據證券及期貨條例（「證券條例」）第XV部或根據上市公司董事進行證券交易的標準守則須知會本公司及香港聯合交易所有限公司，或根據證券條例第三百五十二條規定須予備存之登記冊所記錄，各董事於二零一三年十二月三十一日持有本公司及其相聯法團（定義見證券條例）之股份、相關股份及債權證之權益或淡倉如下：

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at December 31, 2013, the interests or short positions of each of the directors in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of the Securities and Futures Ordinance (the "SFO")) which were required to be notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to Part XV of the SFO or pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers or which were recorded in the register required to be kept by the Company under section 352 of the SFO are as follows:

董事姓名	身份	Name of Directors	Capacity	本公司（好倉） The Company (Long Position)			恒隆集團有限公司（好倉） Hang Lung Group Limited (Long Position)		
				股份數目 Number of Shares	已發行股本之百分比 % of Issued Capital	根據期權可認購之股數（附註1） Number of Shares under Option (Note 1)	股份數目 Number of Shares	已發行股本之百分比 % of Issued Capital	根據期權可認購之股數（附註2） Number of Shares under Option (Note 2)
陳啟宗	個人	Ronnie C. Chan	Personal	–	–	41,070,000	–	–	11,790,000
殷尚賢	–	S.S. Yin	–	–	–	–	–	–	–
陳南祿	個人	Philip N.L. Chen	Personal	–	–	19,000,000	–	–	–
袁偉良	個人	Nelson W.L. Yuen	Personal	–	–	24,320,000	–	–	–
夏佳理	個人及公司	Ronald J. Arculli	Personal & Corporate	724,346	0.02	–	1,089,975	0.08	–
鄭漢鈞	–	H.K. Cheng	–	–	–	–	–	–	–
陳樂怡	–	Laura L.Y. Chen	–	–	–	–	–	–	–
廖柏偉	個人及家屬	P.W. Liu	Personal & Family	100,000	–	–	–	–	–
何潮輝	–	Dominic C.F. Ho	–	–	–	–	–	–	–
何孝昌	個人	H.C. Ho	Personal	–	–	8,600,000	–	–	–



附註 Notes

1. 根據本公司之股份期權計劃的期權變動
Movements of Options under the Share Option Schemes of the Company

(i) 於二零零二年十一月二十二日獲採納之股份期權計劃
Share Option Scheme adopted on November 22, 2002

授出日期 (月/日/年) Date Granted (mm/dd/yyyy)	姓名 Name	姓名 Name	根據期權可認購之股數 Number of Shares under Option			每股行使價 (港幣) Exercise Price per Share (HK\$)	歸屬日期 (月/日/年) Vested Dates (mm/dd/yyyy)	到期日 (月/日/年) Expiry Date (mm/dd/yyyy)
			於2013年 1月1日 As at Jan 1, 2013	年內行使 Exercised during the Year	於2013年 12月31日 As at Dec 31, 2013			
05/20/2004	陳啟宗	Ronnie C. Chan	5,090,000	–	5,090,000	\$9.20	05/20/2005: 25% 05/20/2006: 25% 05/20/2007: 25% 05/20/2008: 25%	05/19/2014
11/20/2006	陳啟宗	Ronnie C. Chan	2,000,000	–	2,000,000	\$17.14	11/20/2007: 10% 11/20/2008: 20% 11/20/2009: 30% 11/20/2010: 40%	11/19/2016
08/21/2007	陳啟宗	Ronnie C. Chan	3,640,000	–	3,640,000	\$25.00	08/21/2008: 10% 08/21/2009: 20% 08/21/2010: 30% 08/21/2011: 40%	08/20/2017
	袁偉良	Nelson W.L. Yuen	3,510,000	–	3,510,000			
08/21/2007	陳啟宗	Ronnie C. Chan	5,600,000	–	5,600,000	\$25.00	08/21/2009: 10% 08/21/2010: 20% 08/21/2011: 30% 08/21/2012: 40%	08/20/2017
	袁偉良	Nelson W.L. Yuen	5,400,000	–	5,400,000			
09/01/2008	何孝昌	H.C. Ho	300,000	–	300,000	\$24.20	09/01/2010: 10% 09/01/2011: 20% 09/01/2012: 30% 09/01/2013: 40%	08/31/2018
12/31/2008	陳啟宗	Ronnie C. Chan	9,240,000	–	9,240,000	\$17.36	12/31/2010: 10% 12/31/2011: 20% 12/31/2012: 30% 12/31/2013: 40%	12/30/2018
	袁偉良	Nelson W.L. Yuen	8,910,000	–	8,910,000			
	何孝昌	H.C. Ho	300,000	–	300,000			
02/08/2010	陳啟宗	Ronnie C. Chan	6,500,000	–	6,500,000	\$26.46	02/08/2012: 10% 02/08/2013: 20% 02/08/2014: 30% 02/08/2015: 40%	02/07/2020
	袁偉良	Nelson W.L. Yuen	6,500,000	–	6,500,000			
07/29/2010	陳南祿	Philip N.L. Chen	10,000,000	–	10,000,000	\$33.05	07/29/2012: 10% 07/29/2013: 20% 07/29/2014: 30% 07/29/2015: 40%	07/28/2020
09/29/2010	何孝昌	H.C. Ho	2,000,000	–	2,000,000	\$36.90	09/29/2012: 10% 09/29/2013: 20% 09/29/2014: 30% 09/29/2015: 40%	09/28/2020
06/13/2011	陳啟宗	Ronnie C. Chan	4,500,000	–	4,500,000	\$30.79	06/13/2013: 10% 06/13/2014: 20% 06/13/2015: 30% 06/13/2016: 40%	06/12/2021
	陳南祿	Philip N.L. Chen	4,500,000	–	4,500,000			
	何孝昌	H.C. Ho	3,000,000	–	3,000,000			



董事局報告

Report of the Directors

1. 根據本公司之股份期權計劃的期權變動 (續) Movements of Options under the Share Option Schemes of the Company (continued)

(ii) 於二零一二年四月十八日獲採納之股份期權計劃
Share Option Scheme adopted on April 18, 2012

授出日期 (月/日/年) Date Granted (mm/dd/yyyy)	姓名 Name	於2013年 1月1日 As at Jan 1, 2013	根據期權可認購之股數 Number of Shares under Option		每股行使價 (港幣) Exercise Price per Share (HK\$)	歸屬日期 (月/日/年) Vested Dates (mm/dd/yyyy)	到期日 (月/日/年) Expiry Date (mm/dd/yyyy)
			年內授出 Granted during the Year	於2013年 12月31日 As at Dec 31, 2013			
06/04/2013	陳啟宗 Ronnie C. Chan	–	4,500,000	4,500,000	\$28.20	06/04/2015: 10%	06/03/2023
	陳南祿 Philip N.L. Chen	–	4,500,000	4,500,000		06/04/2016: 20%	
	何孝昌 H.C. Ho	–	3,000,000	3,000,000		06/04/2017: 30%	
						06/04/2018: 40%	

2. 根據恒隆集團有限公司之股份期權計劃的期權變動 Movement of Options under the Share Option Scheme of Hang Lung Group Limited

授出日期 (月/日/年) Date Granted (mm/dd/yyyy)	姓名 Name	於2013年 1月1日 As at Jan 1, 2013	根據期權可認購之股數 Number of Shares under Option		每股行使價 (港幣) Exercise Price per Share (HK\$)	歸屬日期 (月/日/年) Vested Dates (mm/dd/yyyy)	到期日 (月/日/年) Expiry Date (mm/dd/yyyy)
			年內行使 Exercised during the Year	於2013年 12月31日 As at Dec 31, 2013			
05/20/2004	陳啟宗 Ronnie C. Chan	5,090,000	–	5,090,000	\$9.45	05/20/2005: 25%	05/19/2014
						05/20/2006: 25%	
						05/20/2007: 25%	
						05/20/2008: 25%	
11/20/2006	陳啟宗 Ronnie C. Chan	6,700,000	–	6,700,000	\$20.52	11/20/2007: 10%	11/19/2016
						11/20/2008: 20%	
						11/20/2009: 30%	
						11/20/2010: 40%	

除以上所披露外，本公司董事或彼等之任何聯繫人並無於二零一三年十二月三十一日持有本公司或任何相聯法團之股份、相關股份或債權證之權益或淡倉。

Save as disclosed above, none of the directors of the Company or any of their associates had, as at December 31, 2013, any interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporations.

除以上所述外，於年內任何時間，本公司、其控股公司或彼等之任何附屬公司並無作出任何安排使本公司董事（包括彼等之配偶及未滿十八歲之子女）可藉購入本公司或任何其他機構之股份或債權證而獲益。

Other than as stated above, at no time during the year was the Company, its holding company or any of their subsidiaries a party to any arrangement to enable the directors of the Company (including their spouses and children under 18 years of age) to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.



主要股東及其他人士於股份及相關股份之權益及淡倉

根據證券條例第三百三十六條規定須予備存之登記冊所記錄，主要股東及依據證券條例第XV部須披露其權益之其他人士於二零一三年十二月三十一日持有本公司之股份及相關股份之權益以及淡倉之詳情如下：

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at December 31, 2013, details of substantial shareholders' and other persons' (who are required to disclose their interests pursuant to Part XV of the SFO) interests and short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO are as follows:

名稱	Name	附註 Note	持有股份或相關股份數目 Number of Shares or Underlying Shares Held		已發行股本之百分比 % of Issued Capital	
			(好倉) (Long Position)	(淡倉) (Short Position)	(好倉) (Long Position)	(淡倉) (Short Position)
陳譚慶芬	Chan Tan Ching Fen	1	2,380,487,340	–	53.15	–
Cole Enterprises Holdings Limited	Cole Enterprises Holdings Limited	1	2,380,487,340	–	53.15	–
Merssion Limited	Merssion Limited	1	2,380,487,340	–	53.15	–
恒隆集團有限公司	Hang Lung Group Limited	2	2,352,154,240	–	52.52	–
恒旺有限公司	Prosperland Housing Limited	3	1,267,608,690	–	30.60	–
Purotat Limited	Purotat Limited	3	354,227,500	–	8.55	–
JPMorgan Chase & Co.	JPMorgan Chase & Co.	4	269,034,750	2,645,441	6.01	0.06

附註

1. 此等股份與一信託基金所持有之股份為同一批股份。陳譚慶芬女士為該信託基金之成立人。Cole Enterprises Holdings Limited 為該信託基金之受託人。Cole Enterprises Holdings Limited 及 Merssion Limited 持有恒隆集團有限公司(「恒隆集團」)百分之三十七之權益。恒隆集團及其附屬公司所持有之股份已包括在上述二十三億八千零四十八萬七千三百四十股股份之數目內。
2. 此等股份由恒隆集團之全資附屬公司持有，因此，恒隆集團被視為於該等股份中擁有權益。
3. 該等公司為恒隆集團之全資附屬公司，彼等之權益已包括在上述由恒隆集團所持有之二十三億五千二百一十五萬四千二百四十股股份之數目內。
4. 此等股份乃分別以實益擁有人、投資經理及保管人(法團)/核准借出代理人身份持有，當中包括一億七千五百六十三萬九千五百七十五股可供借出的股份。

Notes

1. These shares were the same parcel of shares held by a trust of which Ms Chan Tan Ching Fen was the founder. Cole Enterprises Holdings Limited was the trustee of the trust. Cole Enterprises Holdings Limited and Merssion Limited held 37% interests in Hang Lung Group Limited ("HLGL"). The shares held by HLGL and its subsidiaries were included in the above-mentioned number of 2,380,487,340.
2. These shares were held by the wholly-owned subsidiaries of HLGL and as such HLGL was deemed to be interested in these shareholdings.
3. These companies are wholly-owned subsidiaries of HLGL. Their interests were included in the above-mentioned number of 2,352,154,240 shares held by HLGL.
4. These shares were held in the respective capacity of beneficial owner, investment manager and custodian corporation/approved lending agent. It included 175,639,575 shares in the lending pool.

除以上所披露外，於二零一三年十二月三十一日，本公司並無獲知會任何其他權益，而須記錄於根據證券條例第三百三十六條規定須予備存之登記冊內。

Save as disclosed above, as at December 31, 2013, no other interest required to be recorded in the register kept under section 336 of the SFO has been notified to the Company.



董事局報告

Report of the Directors

關連人士交易

在日常業務中進行的重大關連人士交易詳情載於財務報表附註第二十九項內。該等關連人士交易並不構成香港聯合交易所有限公司證券上市規則界定的須予披露關連交易。

管理合約

年內本公司並無就本公司全部或任何重大部分業務訂立或現存任何管理及行政合約。

購回、出售或贖回上市證券

年內本公司或其任何附屬公司並無購回、出售或贖回其任何上市證券。

企業管治

本公司之企業管治常規載於第一百零一至一百二十五頁之企業管治報告內。

核數師

本公司將於即將舉行之股東週年大會上提出決議案，建議再度委任畢馬威會計師事務所為本公司核數師，直至下屆股東週年大會結束為止。

承董事局命

公司秘書

蔡碧林

香港，二零一四年一月二十三日

RELATED PARTY TRANSACTIONS

Details of the significant related party transactions undertaken in the usual course of business are set out in Note 29 on the Financial Statements. None of these related party transactions constitutes a discloseable connected transaction as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

MANAGEMENT CONTRACTS

No contract for the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of its listed securities.

CORPORATE GOVERNANCE

The Company's corporate governance practices are set out in the Corporate Governance Report on pages 101 to 125.

AUDITOR

A resolution for the re-appointment of KPMG as auditor of the Company until the conclusion of the next annual general meeting is to be proposed at the forthcoming annual general meeting.

By Order of the Board

Bella Peck Lim Chhoa

Company Secretary

Hong Kong, January 23, 2014

獨立核數師報告

Independent Auditor's Report



獨立核數師報告

致恒隆地產有限公司股東

(在香港註冊成立的有限公司)

本核數師(以下簡稱「我們」)已審核列載於第一百四十八頁至第二百一十七頁恒隆地產有限公司(「貴公司」)及其附屬公司(以下合稱「貴集團」)的綜合財務報表,此綜合財務報表包括於二零一三年十二月三十一日的綜合財務狀況表及貴公司的財務狀況表與截至該日止年度的綜合收益表、綜合全面收益表、綜合權益變動表和綜合現金流量表,以及主要會計政策概要及其他附註解釋資料。

董事就財務報表須承擔的責任

貴公司的董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港《公司條例》編製綜合財務報表,以令綜合財務報表作出真實而公平的反映及落實其認為編製綜合財務報表所必要的內部控制,以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

核數師的責任

我們的責任是根據我們的審核對該等財務報表作出意見。我們是按照香港《公司條例》第141條的規定,僅向整體股東報告。除此之外,我們的報告書不可用作其他用途。我們概不就本報告書的內容,對任何其他人士負責或承擔法律責任。

我們已根據香港會計師公會頒佈的香港審計準則進行審核。這些準則要求我們遵守道德規範,並規劃及執行審核,以合理確定此等財務報表是否不存有任何重大錯誤陳述。

Independent auditor's report to the shareholders of Hang Lung Properties Limited

(Incorporated in Hong Kong with limited liability)

We have audited the consolidated financial statements of Hang Lung Properties Limited ("the Company") and its subsidiaries (together "the Group") set out on pages 148 to 217, which comprise the consolidated and company statements of financial position as at December 31, 2013, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. This report is made solely to you, as a body, in accordance with section 141 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

獨立核數師報告

Independent Auditor's Report



審核涉及執程序以獲取有關財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述的風險。在評估該風險時，核數師考慮與該公司編製及真實而公平地列報財務報表相關的內部控制，以設計適當的審核程序，但並非為對公司的內部控制的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價財務報表的整體列報方式。

我們相信，我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。

意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映 貴公司及 貴集團於二零一三年十二月三十一日的事務狀況及 貴集團截至該日止年度的利潤及現金流量，並已按照香港《公司條例》妥為編製。

畢馬威會計師事務所
執業會計師

香港中環
遮打道10號
太子大廈8樓

二零一四年一月二十三日

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at December 31, 2013 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

KPMG
Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

January 23, 2014

財務報表

Financial Statements

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綜合收益表

Consolidated Income Statement

截至二零一三年十二月三十一日止年度 For the year ended December 31, 2013

以港幣百萬元計算	in HK\$ Million	附註 Note	2013	2012
營業額	Turnover	3(a)	9,138	7,372
直接成本及營業費用	Direct costs and operating expenses		(2,301)	(1,630)
毛利	Gross profit		6,837	5,742
其他收入	Other income	4	36	2,153
行政費用	Administrative expenses		(642)	(626)
未計入投資物業之公平值 變動的營業溢利	Operating profit before change in fair value of investment properties		6,231	7,269
投資物業之公平值增加	Increase in fair value of investment properties	12	2,482	2,522
已計入投資物業之公平值 變動的營業溢利	Operating profit after change in fair value of investment properties		8,713	9,791
利息收入	Interest income		793	621
財務費用	Finance costs		(398)	(348)
利息收入淨額	Net interest income	5	395	273
應佔合營企業溢利	Share of profits of joint ventures	14	96	105
除稅前溢利	Profit before taxation	3(a) & 6	9,204	10,169
稅項	Taxation	8(a)	(1,447)	(1,249)
本年度溢利	Profit for the year		7,757	8,920
應佔：	Attributable to:			
股東	Shareholders	23	7,212	8,395
非控股權益	Non-controlling interests	24	545	525
			7,757	8,920
每股盈利	Earnings per share	11(a)		
基本	Basic		\$1.61	\$1.88
攤薄	Diluted		\$1.61	\$1.87

財務報表附註乃本財務報表之一部分。
年內股東應佔股息詳列於附註10。

The accompanying notes form part of these financial statements. Details of dividends payable to equity shareholders of the Company attributable to the year are set out in note 10.

綜合全面收益表

Consolidated Statement of Comprehensive Income

截至二零一三年十二月三十一日止年度 For the year ended December 31, 2013

以港幣百萬元計算	in HK\$ Million	附註 Note	2013	2012
本年度溢利	Profit for the year		7,757	8,920
其他全面收益	Other comprehensive income	8(d)		
其後可重新分類至損益之 項目：	Item that may be reclassified subsequently to profit or loss:			
換算海外附屬公司賬項 產生之匯兌差異	Exchange difference arising from translation of overseas subsidiaries		2,676	150
本年度全面收益總額	Total comprehensive income for the year		10,433	9,070
應佔全面收益總額：	Total comprehensive income attributable to:			
股東	Shareholders		9,712	8,545
非控股權益	Non-controlling interests		721	525
			10,433	9,070

財務報表附註乃本財務報表之一部分。

The accompanying notes form part of these financial statements.

財務狀況表

Statements of Financial Position

於二零一三年十二月三十一日 At December 31, 2013

以港幣百萬元計算	in HK\$ Million	附註 Note	集團 Group		公司 Company	
			2013	2012	2013	2012
非流動資產	Non-current assets					
固定資產	Fixed assets					
投資物業	Investment properties		107,587	98,223	–	–
發展中投資物業	Investment properties under development		30,478	24,482	–	–
其他固定資產	Other fixed assets		289	250	–	–
			138,354	122,955	–	–
附屬公司權益	Interest in subsidiaries	12	–	–	64,356	71,633
合營企業權益	Interest in joint ventures	13	1,030	1,041	–	–
其他資產	Other assets	14	8	–	–	–
遞延稅項資產	Deferred tax assets	15	7	12	–	–
		21(b)	139,399	124,008	64,356	71,633
流動資產	Current assets					
現金及銀行存款	Cash and deposits with banks	16	34,321	36,025	1	1
應收賬款及其他應收款	Trade and other receivables	17	2,865	1,270	3	5
其他資產	Other assets	15	–	452	–	–
待售物業	Properties for sale	18	5,695	6,109	–	–
			42,881	43,856	4	6
流動負債	Current liabilities					
銀行貸款及其他借貸	Bank loans and other borrowings	19	1,657	1,113	–	–
應付賬款及其他應付款	Trade and other payables	20	5,977	4,811	22	21
應付稅項	Taxation payable	21(a)	633	392	–	–
			8,267	6,316	22	21
流動資產/(負債) 淨值	Net current assets/(liabilities)		34,614	37,540	(18)	(15)
資產總值減流動負債	Total assets less current liabilities		174,013	161,548	64,338	71,618
非流動負債	Non-current liabilities					
銀行貸款及其他借貸	Bank loans and other borrowings	19	33,322	28,623	–	–
應付附屬公司款項	Amounts due to subsidiaries	13(c)	–	–	20,869	28,423
遞延稅項負債	Deferred tax liabilities	21(b)	9,524	8,947	–	–
			42,846	37,570	20,869	28,423
資產淨值	NET ASSETS		131,167	123,978	43,469	43,195
資本及儲備	Capital and reserves					
股本	Share capital	22	4,479	4,477	4,479	4,477
儲備	Reserves	23	120,055	113,451	38,990	38,718
股東權益	Shareholders' equity		124,534	117,928	43,469	43,195
非控股權益	Non-controlling interests	24	6,633	6,050	–	–
總權益	TOTAL EQUITY		131,167	123,978	43,469	43,195

陳南祿
董事總經理

Philip N.L. Chen
Managing Director

何孝昌
執行董事

H.C. Ho
Executive Director

財務報表附註乃本財務報表之一部分。

The accompanying notes form part of these financial statements.

綜合權益變動表

Consolidated Statement of Changes in Equity

截至二零一三年十二月三十一日止年度 For the year ended December 31, 2013

以港幣百萬元計算	in HK\$ Million	股東權益 Shareholders' equity				非控股 權益 Non- controlling interests (附註24) (Note 24)	總權益 Total equity
		股本 Share capital (附註22) (Note 22)	其他儲備 Other reserves (附註23) (Note 23)	保留溢利 Retained profits (附註23) (Note 23)	總額 Total		
於二零一二年一月一日	At January 1, 2012	4,473	41,067	65,922	111,462	5,556	117,018
本年度溢利	Profit for the year	–	–	8,395	8,395	525	8,920
換算海外附屬公司賬項產生之匯兌差異	Exchange difference arising from translation of overseas subsidiaries	–	150	–	150	–	150
本年度全面收益總額	Total comprehensive income for the year	–	150	8,395	8,545	525	9,070
上年度末期股息	Final dividends in respect of previous financial year	–	–	(1,611)	(1,611)	–	(1,611)
本年度中期股息	Interim dividends in respect of current financial year	–	–	(761)	(761)	–	(761)
發行股份	Issue of shares	4	56	–	60	–	60
僱員股權費用	Employee share-based payments	–	8	225	233	–	233
已付非控股權益股息	Dividends paid to non-controlling interests	–	–	–	–	(31)	(31)
於二零一二年十二月三十一日及二零一三年一月一日	At December 31, 2012 and January 1, 2013	4,477	41,281	72,170	117,928	6,050	123,978
本年度溢利	Profit for the year	–	–	7,212	7,212	545	7,757
換算海外附屬公司賬項產生之匯兌差異	Exchange difference arising from translation of overseas subsidiaries	–	2,500	–	2,500	176	2,676
本年度全面收益總額	Total comprehensive income for the year	–	2,500	7,212	9,712	721	10,433
上年度末期股息	Final dividends in respect of previous financial year	–	–	(2,553)	(2,553)	–	(2,553)
本年度中期股息	Interim dividends in respect of current financial year	–	–	(761)	(761)	–	(761)
發行股份	Issue of shares	2	42	–	44	–	44
僱員股權費用	Employee share-based payments	–	121	43	164	–	164
已付非控股權益股息	Dividends paid to non-controlling interests	–	–	–	–	(122)	(122)
償還予非控股權益款項	Repayment to non-controlling interests	–	–	–	–	(16)	(16)
於二零一三年十二月三十一日	At December 31, 2013	4,479	43,944	76,111	124,534	6,633	131,167

財務報表附註乃本財務報表之一部分。

The accompanying notes form part of these financial statements.

綜合現金流量表

Consolidated Cash Flow Statement

截至二零一三年十二月三十一日止年度 For the year ended December 31, 2013

以港幣百萬元計算	in HK\$ Million	附註 Note	2013	2012
經營活動	Operating activities			
來自經營業務之現金	Cash generated from operations	25	6,053	6,006
已付稅項	Tax paid			
已付香港利得稅	Hong Kong Profits Tax paid		(385)	(439)
已付中國所得稅	China Income Tax paid		(512)	(534)
來自經營活動之現金淨額	Net cash generated from operating activities		5,156	5,033
投資活動	Investing activities			
購買固定資產	Payment for fixed assets		(9,886)	(5,328)
出售固定資產所得款項淨額	Net sale proceeds from disposal of fixed assets		34	5,170
已收持至到期日投資款項	Receipt of matured held-to-maturity investments		452	450
已收利息	Interest received		801	586
已收合營企業股息	Dividends received from joint ventures		18	36
應付合營企業款項之增加	Increase in amount due to a joint venture		89	35
非上市投資償還貸款	Repayment of advances to unlisted investments		2	1
於三個月後到期的銀行存款之減少/(增加)	Decrease/(Increase) in bank deposits with maturity greater than three months		7,594	(3,474)
用於投資活動之現金淨額	Net cash used in investing activities		(896)	(2,524)
融資活動	Financing activities			
新增銀行貸款及其他借貸所得款項	Proceeds from new bank loans and other borrowings		5,535	13,879
償還銀行貸款	Repayment of bank loans		(475)	(4,700)
行使股份期權所得款項	Proceeds from exercise of share options		44	60
已付利息及其他借貸費用	Interest and other borrowing costs paid		(1,093)	(866)
已付融資租賃費用	Finance lease charges paid		-	(3)
已付股息	Dividends paid		(3,314)	(2,372)
已付非控股權益股息	Dividends paid to non-controlling interests		(122)	(31)
償還非控股權益款項	Repayment to non-controlling interests		(16)	-
融資租賃之資本部份	Capital element of finance lease		-	(104)
來自融資活動之現金淨額	Net cash generated from financing activities		559	5,863
現金及現金等價物之增加	Increase in cash and cash equivalents		4,819	8,372
匯率變動之影響	Effect of foreign exchange rate change		953	405
於一月一日之現金及現金等價物	Cash and cash equivalents at January 1		27,989	19,212
於十二月三十一日之現金及現金等價物	Cash and cash equivalents at December 31	16	33,761	27,989

財務報表附註乃本財務報表之一部分。

The accompanying notes form part of these financial statements.

財務報表附註

Notes to the Financial Statements

(以港幣為單位) (Expressed in Hong Kong dollars)

1 主要會計政策

(a) 遵例聲明

本財務報表乃根據所有適用之《香港財務報告準則》(「HKFRSs」)編製，而該統稱涵蓋香港會計師公會頒佈之所有適用個別《香港財務報告準則》、《香港會計準則》(「HKASs」)及詮釋、香港公認會計原則及香港《公司條例》之規定。本財務報表亦符合《香港聯合交易所有限公司證券上市規則》之適用披露規定。本集團採用之主要會計政策概述如下。

香港會計師公會頒佈多項新訂及經修訂之HKFRSs。此等準則在本集團及本公司當前之會計期間開始生效或可供提前採用。首次採用此等變動所引致本集團當前和以往會計期間的會計政策變動已於本財務報表內反映，有關資料載列於附註2。

本集團並無採用任何在當前會計期間尚未生效之新準則、修訂本或詮釋(附註33)。

(b) 財務報表編製基準

綜合財務報表包括本公司及其附屬公司(統稱「本集團」)及本集團於合營企業之權益。

除下文所載之會計政策另有所指外，財務報表均以歷史成本作為編製基準。

1 PRINCIPAL ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. A summary of the principal accounting policies adopted by the Group is set out below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group and the Company. Note 2 provides information on any changes in accounting policies resulting from initial adoption of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

The Group has not applied any new standard, amendment or interpretation that is not yet effective for the current accounting period (note 33).

(b) Basis of preparation of the financial statements

The consolidated financial statements comprise the Company and its subsidiaries (collectively referred to as the “Group”) and the Group’s interest in joint ventures.

The measurement basis used in the preparation of the financial statements is the historical cost basis except as otherwise stated in the accounting policies set out below.

財務報表附註

Notes to the Financial Statements

1 主要會計政策 (續)

(b) 財務報表編製基準 (續)

為編製符合 HKFRSs 之財務報表，管理層須對影響政策之應用、資產負債及收支列報作出判斷、估計及假設。有關估計及相關之假設乃根據過往經驗，以及多項在當時情況下相信屬合理之其他因素而作出，有關結果構成在未能依循其他途徑即時確切得知資產與負債賬面值時所作出判斷的基礎。實際結果可能與此等估計或有不同。

管理層會不斷審閱各項估計和相關假設。如果會計估計的修訂只是影響某一期間，其影響便會在該期間內確認；如果修訂對當前和未來期間均有影響，則在作出修訂的期間和未來期間確認。

管理層在應用 HKFRSs 時所作出對財務報表有重大影響的判斷及估計不確定性的主要原因於附註31論述。

(c) 附屬公司及非控股權益

附屬公司為本集團控制之公司。當本集團參與該實體業務所得可變動回報的風險承擔或權利、及能否對該實體行使權力以影響回報金額時，則視為可控制該實體。評估控制權時，只考慮實際之權利（由本集團及其他人士持有）。

於附屬公司之投資自開始控制之日起至失去控制權當日已包括於綜合財務報表內。集團內部往來之結餘及交易，以及集團內部交易所產生之任何未變現溢利，會在編製綜合財務報表時全數抵銷。集團內部交易所引致未變現虧損之抵銷方法與未變現收益相同，但抵銷額只限於沒有證據顯示已出現減值之部份。

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

(b) Basis of preparation of the financial statements (Continued)

The preparation of financial statements in conformity with HKFRSs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of HKFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 31.

(c) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealized profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealized losses resulting from intra-group transactions are eliminated in the same way as unrealized gains but only to the extent that there is no evidence of impairment.

1 主要會計政策 (續)

(c) 附屬公司及非控股權益 (續)

非控股權益為非本集團直接或透過附屬公司間接擁有權益所佔之附屬公司的資產淨值部份。就此而言，本集團並未向該等權益持有人同意任何附加條款致使本集團整體須就此等權益承擔按財務負債定義的合約責任。於綜合財務狀況表內，非控股權益與本公司股東權益分別於權益內呈列。非控股權益應佔本集團期內業績按非控股權益及股東權益應佔期內損益總額及全面收益總額的分配於綜合收益表及綜合全面收益表內呈列。

本集團於附屬公司的權益變動不對控制權有所改變，則按權益交易方式入賬，即只調整在綜合權益內之控股及非控股股東權益的金額以反映其相關權益的變動，但不調整商譽及確認損益。

當本集團失去一附屬公司之控制權，將按出售該附屬公司之所有權益入賬，而所產生的盈虧確認為損益。任何在喪失控制權日仍保留該前度附屬公司之權益按公平值確認，而此金額被視為初始確認為金融資產的公平值，或（如適用）按成本初始確認為聯營公司或合營企業投資。

在本公司之財務狀況表內，附屬公司之投資乃按成本值減去任何減值虧損列賬（附註1(j)）。

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

(c) Subsidiaries and non-controlling interests (Continued)

Non-controlling interests represent the portion of the net assets of subsidiaries attributable to interests that are not owned by the Company, whether directly or indirectly through subsidiaries, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated income statement and the consolidated statement of comprehensive income as an allocation of the total profit or loss and total comprehensive income for the period between non-controlling interests and the equity shareholders of the Company.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognized.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognized in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognized at fair value and this amount is regarded as the fair value on initial recognition of a financial asset or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture.

In the Company's statement of financial position, investments in subsidiaries are stated at cost less impairment losses (note 1(j)).

財務報表附註

Notes to the Financial Statements

1 主要會計政策 (續)

(d) 合營企業

合營企業為本集團或本公司及其他人士按合約同意下分配控制權及淨資產擁有權之安排。

本集團於合營企業之權益乃以權益法在綜合財務報表內列賬，初步以成本入賬，其後按本集團應佔合營企業之淨資產於收購後之改變作出調整。綜合收益表包括本集團應佔合營企業於收購後及除稅後之本期業績，而本集團應佔合營企業於收購後及除稅後之其他全面收益於綜合全面收益表內確認。

當本集團對合營企業承擔的虧損額超過其所佔權益時，本集團所佔權益便會減少至零，並且不須再確認往後的虧損；但如本集團須履行法定或推定義務，或代合營企業作出付款則除外。就此而言，本集團在合營企業所佔權益為按照權益法計算之投資賬面價值，以及實質上構成本集團對合營企業投資淨額一部份之長期權益。

當本集團喪失對合營企業之共同控制權，將按出售該投資之所有權益入賬，而所產生的盈虧確認為損益。任何在喪失控股權日仍保留該前度投資之權益按公允價值確認，而此金額被視為首次確認為金融資產的公平值。

本集團與其合營企業之間交易所產生之未變現溢利或虧損，均按本集團於合營企業所佔之權益比例抵銷；但如未變現虧損證明所轉讓資產已出現減值，則會即時在損益中確認該虧損。

在本公司之財務狀況表內，合營企業之投資乃按成本值減任何減值虧損列賬（附註1(j)）。

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

(d) Joint ventures

A joint venture is an arrangement whereby the Group or Company and other parties contractually agree to share control of the arrangement, and have rights to the net assets of the arrangement.

The Group's interests in joint ventures are accounted for in the consolidated financial statements under the equity method and are initially recorded at cost and adjusted thereafter for the post-acquisition change in the Group's share of the joint ventures' net assets. The consolidated income statement includes the Group's share of the post-acquisition, post-tax results of the joint ventures for the year, whereas the Group's share of the post-acquisition, post-tax items of the joint ventures' other comprehensive income is recognized in the consolidated statement of comprehensive income.

When the Group's share of losses exceeds its interest in the joint venture, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture. For this purpose, the Group's interest in the joint venture is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the joint venture.

When the Group ceases to have joint control over a joint venture, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognized in profit or loss. Any interest retained in that former investee at the date when joint control is lost is recognized at fair value and this amount is regarded as the fair value on initial recognition of a financial asset.

Unrealized profits and losses resulting from transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint venture, except where unrealized losses provide evidence of an impairment of the asset transferred, in which case they are recognized immediately in profit or loss.

In the Company's statement of financial position, investments in joint ventures are stated at cost less impairment losses (note 1(j)).

1 主要會計政策 (續)

(e) 商譽

商譽是指企業合併之成本超過本集團在被收購方之可辨別資產、負債和或然負債之公平值中所佔部份之差額。

商譽是按成本減去累計減值虧損後列賬，並須定期接受減值測試（附註1(j)）。

本集團在被收購方之可辨別資產、負債和或然負債的公平值中所佔部份，超過企業合併之成本部份，會當作為議價收購即時在損益中確認。

當出售一間公司時，任何應佔購入商譽於出售時計入損益內。

(f) 物業

1. 投資物業及發展中投資物業

投資物業是根據租賃權益擁有或持有，用作賺取租金收入及/或資本增值之土地及/或樓宇。當中包括現時持有但未確定將來用途之土地及仍在興建或發展中以供日後用作投資物業之物業。

投資物業以公平值入賬，除非物業於結算日仍在興建或發展而物業的公平值在當時不能可靠計量。因公平值變動或報廢或出售投資物業所產生的任何收益或虧損將確認為損益。投資物業之租金收入如附註1(q)所述入賬。

倘本集團根據營業租賃持有一項物業權益以賺取租金收入及/或作資本增值，該權益則按不同的物業而分類及入賬為投資物業。任何已分類為投資物業的物業權益乃分類為猶如根據融資租賃持有的權益，相同的會計政策亦適用於根據融資租賃持有的其他投資物業的權益。應付租金如附註1(g)所述入賬。

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

(e) Goodwill

Goodwill represents the excess of the cost of a business combination over the Group's share of the fair value of the acquiree's identifiable assets, liabilities and contingent liabilities.

Goodwill is stated at cost less accumulated impairment losses and is tested regularly for impairment (note 1(j)).

Any excess of the Group's interest in the fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of a business combination is recognized immediately in profit or loss as a gain on a bargain purchase.

On disposal of an entity, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

(f) Properties

1. *Investment properties and investment properties under development*

Investment properties are land and/or buildings which are owned or held under a leasehold interest to earn rental income and/or for capital appreciation. These include land held for a currently undetermined future use and property that is being constructed or developed for future use as investment property.

Investment properties are stated at fair value, unless they are still in the course of construction or development at the end of the reporting period and their fair value cannot be reliably measured at that time. Any gain or loss arising from a change in fair value or from the retirement or disposal of an investment property is recognized in profit or loss. Rental income from investment properties is accounted for as described in note 1(q).

When the Group holds a property interest under an operating lease to earn rental income and/or for capital appreciation, the interest is classified and accounted for as an investment property on a property-by-property basis. Any such property interest which has been classified as an investment property is accounted for as if it were held under a finance lease, and the same accounting policies are applied to that interest as are applied to other investment properties leased under finance leases. Lease payments are accounted for as described in note 1(g).

財務報表附註

Notes to the Financial Statements

1 主要會計政策 (續)

(f) 物業 (續)

2. 待售發展中物業

待售發展中物業皆列入流動資產內，並以成本值及可變現淨值之較低者入賬。成本包括土地購買成本、發展成本、資本化之借貸成本 (附註1(o)) 及其他直接開支之總和。可變現淨值乃估計物業售價扣除估計落成成本及出售物業涉及之費用。

3. 待售已建成物業

待售已建成物業皆列入流動資產內，並以成本值及可變現淨值之較低者入賬。成本乃按未出售單位應佔之比例攤分總發展成本，包括資本化借貸 (附註1(o)) 成本而釐定。可變現淨值指管理層參照目前市況而釐定之估計物業售價減出售物業涉及之費用。

(g) 其他固定資產

1. 其他固定資產按成本值減累計折舊及任何減值虧損列賬 (附註1(j))。報廢或處置固定資產所產生的損益以處置所得款項淨額與資產賬面金額之間的差額釐定，並於報廢或處置日在損益中確認。

2. 租賃資產

本集團確定協議具有在協定期限內通過支付一筆或一系列款項而使用某一特定資產或多項資產之權利，則該協議 (由一宗交易或一系列交易組成) 為租賃或包括租賃。該釐定乃根據安排之內容評估而作出，而無論安排是否具備租賃之法律形式。

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

(f) Properties (Continued)

2. Properties under development for sale

Properties under development for sale are classified under current assets and stated at the lower of cost and net realizable value. Costs include the acquisition cost of land, aggregate cost of development, borrowing costs capitalized (note 1(o)) and other direct expenses. Net realizable value represents the estimated selling price less estimated costs of completion and costs to be incurred in selling the property.

3. Completed properties for sale

Completed properties for sale are classified under current assets and stated at the lower of cost and net realizable value. Cost is determined by apportionment of the total development costs, including borrowing costs capitalized (note 1(o)), attributable to unsold properties. Net realizable value represents the estimated selling price as determined by reference to management estimates based on prevailing market conditions, less costs to be incurred in selling the property.

(g) Other fixed assets

1. Other fixed assets are stated at cost less accumulated depreciation and any impairment losses (note 1(j)). Gains or losses arising from the retirement or disposal of an item of other fixed assets are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognized in profit or loss on the date of retirement or disposal.

2. Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

1 主要會計政策 (續)

(g) 其他固定資產 (續)

2. 租賃資產 (續)

(i) 租予本集團之資產分類

分類乃評估有關安排的實質內容後釐定，而不論有關安排是否具備租約的法律形式。由承租人承擔資產擁有權之絕大部份風險及利益之資產租約均列為融資租約，而租賃人未有把資產擁有權之全部風險及利益轉移之資產租約則列為營業租約，但下列情況除外：

- 以營業租約持有但在其他方面均符合投資物業定義之物業會逐項劃歸為投資物業，其入賬方式會如同以融資租約持有之一致；及
- 以營業租約持作自用，但無法在租賃開始時將其公平值與建於其上之建築物之公平值分開計量之土地，是按以融資租約持有方式入賬；但清楚地以營業租約持有之建築物除外。就此而言，租賃之開始時間是指本集團首次訂立租約時，或自前承租人接收建築物時。

(ii) 根據融資租約購入之資產

如本集團根據融資租約購入資產之使用權，則所租賃資產之公平值或有關資產之最少應付租金之現值兩者之較低者計入固定資產，而相應之負債在扣除融資費用後，列作融資租約承擔入賬。折舊是在相關之租約期內或資產之可使用年期（如本公司或本集團可能取得資產之擁有權）內撇銷資產成本或估值之比率計提；有關之資產可使用年期載列於附註1(h)。減值虧損如附註1(j)所述入賬。包含在租金內之融資費用於租約期內在損益內扣除，使每個會計期間之融資費用佔承擔餘額的比率大致相同。或然租金在其產生之會計期間作為開支撇銷。

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

(g) Other fixed assets (Continued)

2. Leased assets (Continued)

(i) Classification of assets leased to the Group

The classification is determined based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease. Leases of assets under which the lessee assumes substantially all the risks and benefits of ownership are classified as finance leases. Leases of assets under which the lessor has not transferred all the risks and benefits of ownership are classified as operating leases, with the following exceptions:

- property held under operating leases that would otherwise meet the definition of an investment property is classified as an investment property on a property-by-property basis and is accounted for as if held under a finance lease; and
- land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease. For these purposes, the inception of the lease is the time that the lease was first entered into by the Group, or taken over from the previous lessee.

(ii) Assets acquired under finance leases

Where the Group acquires the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments, of such assets are included in fixed assets and the corresponding liabilities, net of finance charges, are recorded as obligations under finance leases. Depreciation is provided at rates which write off the cost or valuation of the assets over the term of the relevant lease or, where it is likely the Company or the Group will obtain ownership of the asset, the life of the asset, as set out in note 1(h). Impairment losses are accounted for as described in note 1(j). Finance charges implicit in the lease payments are charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period. Contingent rentals are written off as an expense of the accounting period in which they are incurred.

財務報表附註

Notes to the Financial Statements

1 主要會計政策 (續)

(g) 其他固定資產 (續)

2. 租賃資產 (續)

(iii) 營業租賃費用

如果本集團是以營業租賃獲得資產之使用權，則根據租約作出之付款在租約期內所涵蓋之會計期間內，以等額在損益中列支；但如有其他基準能更清楚地反映租賃資產所產生之收益模式則除外。所獲之租金優惠在損益中確認為淨租金總額之不可分割組成部份。或然租金在其產生之會計期間內在損益列支。

(h) 折舊

1. 投資物業

投資物業及發展中投資物業毋須計提折舊撥備。

2. 其他固定資產

其他固定資產之折舊乃將成本值減其估計剩餘價值（如有），按下列預計可使用年期以直線法撇銷：

樓宇	五十年或地契尚餘年期 (取較短者)
傢俬及設備	四至二十年
車輛	五年

(i) 持至到期日投資

持至到期日投資項目乃非衍生金融資產，具固定或可釐定之付款及固定到期日，以及本集團管理層具有積極意向及能力持至到期日為止。持至到期日投資項目按公平值加交易成本初始確認，其後按實際利率法以攤銷成本並減去任何可識別減值撥備入賬。當有客觀證據證明資產已減值時，減值撥備經確認並計入損益（附註1(j)）。

在本集團承諾購買/出售投資或投資到期當日確認/終止確認有關的投資。

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

(g) Other fixed assets (Continued)

2. Leased assets (Continued)

(iii) Operating leases charges

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognized in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

(h) Depreciation

1. Investment properties

No depreciation is provided for investment properties and investment properties under development.

2. Other fixed assets

Depreciation on other fixed assets is calculated to write off the cost, less their estimated residual value, if any, on a straight line basis over their estimated useful lives as follows:

Buildings	50 years or unexpired lease term, whichever is shorter
Furniture and equipment	4–20 years
Motor vehicles	5 years

(i) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity which the Group's management has the positive intention and ability to hold to maturity. Held-to-maturity investments are initially recognized in the statement of financial position at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any identified impairment loss. Any impairment loss is recognized in profit or loss when there is objective evidence that the asset is impaired (note 1(j)).

Investments are recognized/derecognized on the date the Group commits to purchase/sell the investments or they expire.

1 主要會計政策 (續)

(j) 資產減值

本集團於每個結算日均對流動或非流動資產（以重估值列賬之物業除外）進行評估，決定是否有任何客觀證據顯示減值跡象。

如有任何此類證據存在，減值虧損則會按以下方式釐定及確認：

- 就以攤銷成本列賬之流動應收款而言，當貼現之影響重大時，減值虧損按客觀減值證據確認及以資產之賬面值與以金融資產初始實際利率貼現之預計未來現金流量現值之間之差額計量。減值之客觀證據包括本集團所注意到有關對資產之預計未來現金流量有影響之事件（例如債務人之重大財政困難）之可觀察數據。倘減值虧損在其後期間減少，則減值虧損會於損益撥回。減值虧損之撥回不應使資產之賬面值超過其在以往年度並無確認任何減值虧損而釐定之數額。

應收款之可收回性被視為可疑，但不是可能性極低，減值虧損會採用準備賬來列賬。當本集團認為收回的可能性極低時，被視為不可收回的數額便會直接沖銷應收款，與該債務有關而在準備賬內持有的任何數額也會撥回。其後收回早前計入準備賬的數額會在準備賬轉回。準備賬的其它變動和其後收回早前直接沖銷的數額均在損益確認。

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

(j) Impairment of assets

An assessment is carried out at the end of each reporting period to determine whether there is objective evidence that a current or non-current asset, other than properties carried at revalued amounts, is impaired.

If any such indication exists, any impairment loss is determined and recognized as follows:

- For current receivables carried at amortized cost, the impairment loss is recognized when there is objective evidence of impairment and measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective rate where the effect of discounting is material. Objective evidence of impairment includes observable data that comes to the attention of the Group about events that have an impact on the asset's estimated future cash flows such as significant financial difficulty of the debtor. If in a subsequent period the amount of impairment loss decreases, the impairment loss is reversed through profit or loss. A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognized in prior years.

Impairment losses for receivables whose recovery is considered doubtful but not remote are recorded using an allowance account. When the Group is satisfied that recovery is remote, the amount considered irrecoverable is written off against receivables directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognized in profit or loss.

財務報表附註

Notes to the Financial Statements

1 主要會計政策 (續)

(j) 資產減值 (續)

– 就其他非流動資產，可收回金額為其公平值扣除處置成本與使用價值兩者中較高之金額。在評估使用價值時，預計未來現金流量會按照能反映當時市場對貨幣時間值和資產特定風險的評估的稅前折現率，折現至其現值。凡賬面值高於可收回金額，減值虧損於損益中確認為開支。倘用作釐定可收回金額之預計數據有任何有利變動時，減值虧損即予撥回。所撥回的減值虧損以在過往年度沒有確認任何減值虧損而釐定的資產賬面金額為限。減值虧損之撥回乃於確認撥回金額之年度計入損益。有關商譽之減值虧損將不予撥回。

(k) 應收賬款及其他應收款

應收賬款及其他應收款初步按公平值確認，其後按實際利率法入賬的攤銷成本減去呆壞賬減值虧損後入賬（附註1(j)）；但如應收款為免息貸款或其貼現影響並不重大則除外。在此情況下，應收款會按成本減去呆壞賬減值虧損後入賬（附註1(j)）。

(l) 現金及現金等價物

現金及現金等價物包括銀行及手頭之現金、於銀行及其他財務機構之活期存款，及短期而高流動性之投資，即在沒有涉及重大價值轉變之風險下可以即時轉換為已知數額之現金的投資。就編製綜合現金流量表而言，現金及現金等價物包括即期償還及構成本集團現金管理之不可分割組成部份之銀行透支。

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

(j) Impairment of assets (Continued)

– For other non-current assets, the recoverable amount is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is recognized as an expense in profit or loss whenever the carrying amount exceeds the recoverable amount. An impairment loss is reversed if there has been a favorable change in the estimates used to determine the recoverable amount. A reversal of impairment losses is limited to the asset's carrying amount that would have been determined had no impairment loss been recognized in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognized. An impairment loss in respect of goodwill is not reversed.

(k) Trade and other receivables

Trade and other receivables are initially recognized at fair value and thereafter stated at amortized cost using the effective interest method, less impairment losses for bad and doubtful debts (note 1(j)), except where the receivables are interest-free loans or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts (note 1(j)).

(l) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated cash flow statement.

1 主要會計政策 (續)

(m) 應付賬款及其他應付款

應付賬款及其他應付款初步按公平值確認，其後按攤銷成本入賬；但如貼現影響並不重大，則按成本入賬。

(n) 計息借貸

計息借貸初步按公平值減應佔交易成本確認。初次確認後，計息借貸按攤銷成本列賬，成本與贖回價值間之差額以實際利率法按借貸年期於損益內確認。

(o) 借貸成本

收購、興建或製造之資產因需較長時間方可用作擬定用途或可供出售之直接相關借貸成本資本化為該資產成本之一部分。其他借貸成本於產生期間列支。

在合資格資產之開支及借貸成本開始產生時，以及將該資產投入擬定用途或出售所需之籌備工作正在進行，即開始將借貸成本資本化，作為合資格資產的成本之一部分。當將合資格資產投入擬定用途或出售所需之大部分籌備工作被中斷或完成時，借貸成本資本化則被暫停或終止。

(p) 已發出財務擔保、撥備及或然負債

1. 已發出財務擔保

財務擔保乃要求發行人（即擔保人）就擔保受益人（「持有人」）因特定債務人未能根據債務工具的條款於到期時付款而蒙受的損失，而向持有人支付特定款項的合約。

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

(m) Trade and other payables

Trade and other payables are initially recognized at fair value and thereafter stated at amortized cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(n) Interest-bearing borrowings

Interest-bearing borrowings are recognized initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortized cost with any difference between costs and redemption value being recognized in profit or loss over the period of the borrowings using the effective interest method.

(o) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalization of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalization of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying assets for its intended use or sale are interrupted or complete.

(p) Financial guarantees issued, provisions and contingent liabilities

1. Financial guarantees issued

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the “holder”) for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

財務報表附註

Notes to the Financial Statements

1 主要會計政策 (續)

(p) 已發出財務擔保、撥備及或然負債 (續)

1. 已發出財務擔保 (續)

當本公司發出財務擔保，該擔保的公平價值最初確認為應付賬款及其他應付款內的遞延收入。已發出財務擔保於發出時的公平值，在有關資料能夠獲得時參考公平交易中同類服務收取的費用而釐定；或者在能夠作出可靠估計的情況下通過參考有擔保貸款和無擔保貸款的利率差價而進行估值。倘在發行該擔保時收取或可收取代價，該代價則根據適用於該類資產的本公司政策而予確認。倘沒有有關尚未收取或應予收取之代價，則於最初確認任何遞延收入時，即時於損益內確認開支。

最初以遞延收入入賬的擔保金額按擔保條文於損益內攤銷，作為提供財務擔保之收入。此外，倘若 (i) 擔保合約持有人很可能要求本公司履行擔保合約；及 (ii) 向本公司索償的款項預期超過現時列於應付賬款及其他應付款內的擔保金額（即最初確認的金額減累計攤銷），則須按附註1(p)(2)方法計提撥備。

2. 其他撥備及或然負債

倘若本集團或本公司須就過往事件承擔法律或推定責任，而且履行責任可能涉及付出經濟利益，並可作出可靠的估計，則須就未能確定時間或數額的負債確認撥備。如果貨幣時間值重大，則按預計所需支出的現值計提準備。

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

(p) Financial guarantees issued, provisions and contingent liabilities (Continued)

1. Financial guarantees issued (Continued)

Where the Company issues a financial guarantee, the fair value of the guarantee is initially recognized as deferred income within trade and other payables. The fair value of financial guarantees issued at the time of issuance is determined by reference to fees charged in an arm's length transaction for similar services, when such information is obtainable, or is otherwise estimated by reference to interest rate differentials, by comparing the actual rates charged by lenders when the guarantee is made available with the estimated rates that lenders would have charged, had the guarantees not been available, where reliable estimates of such information can be made. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognized in accordance with the Company's policies applicable to that category of asset. When no such consideration is received or receivable, an immediate expense is recognized in profit or loss on initial recognition of any deferred income.

The amount of the guarantee initially recognized as deferred income is amortized in profit or loss over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognized in accordance with note 1(p)(2) if and when (i) it becomes probable that the holder of guarantee will call upon the Company under the guarantee, and (ii) the amount of that claim on the Company is expected to exceed the amount currently carried in trade and other payables in respect of that guarantee i.e. the amount initially recognized, less accumulated amortization.

2. Other provisions and contingent liabilities

Provisions are recognized for liabilities of uncertain timing or amount when the Group or the Company has a legal or constructive obligation arising as a result of past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. When the time value of the money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

1 主要會計政策 (續)

(p) 已發出財務擔保、撥備及或然負債 (續)

2. 其他撥備及或然負債 (續)

倘若不大可能涉及付出經濟利益，或無法對有關數額作出可靠估計，則會將責任披露為或然負債，惟付出經濟利益的可能性極低時則除外。如果本集團的責任須視乎某宗或多宗未來事件是否發生才能確定是否存在，亦會披露為或然負債，但資源外流的可能性極低則除外。

(q) 收入確認

收入按已收或應收款之代價之公平值計算。於經濟利益可能會流入本集團，而收入及成本（如適用）能可靠地計算時，收入乃按以下方式於損益內確認：

1. 銷售物業

建成物業之銷售收入乃於簽訂買賣協議或相關政府部門發出入伙紙（以較遲者為準）時確認，其時該物業擁有權之風險及回報已轉至買方。

2. 租金收入

營業租賃所得租金收入及按個別租約之年期以直線法確認，或按其他更能反映使用租賃資產所產生利益模式的方式予以確認。所給予之租賃獎勵按其作為組成應收租賃淨付款總額之組成部分於損益中確認。或然租金乃於賺取之會計期間內確認為收入。

3. 利息收入

利息收入於產生時按實際利率法確認。

4. 股息

股息於收款權確立時確認。

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

(p) Financial guarantees issued, provisions and contingent liabilities (Continued)

2. Other provisions and contingent liabilities (Continued)

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(q) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognized in profit or loss as follows:

1. Sale of properties

Revenue from sale of completed properties is recognized upon the later of the signing of sale and purchase agreements or the issue of occupation permit by the relevant government authorities, which is taken to be the point in time when the risks and rewards of ownership of the property have passed to the buyer.

2. Rental income

Rental income under operating leases is recognized on a straight line basis over the terms of the respective leases, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognized in profit or loss as an integral part of the aggregate net lease payment receivable. Contingent rentals are recognized as income in the accounting period in which they are earned.

3. Interest income

Interest income is recognized as it accrues using the effective interest method.

4. Dividends

Dividends are recognized when the right to receive payment is established.

財務報表附註

Notes to the Financial Statements

1 主要會計政策 (續)

(r) 稅項

本年度所得稅包括本年稅項、遞延稅項資產及負債的變動。除某些在其他全面收益確認或在權益內直接確認的項目之相關的稅項亦應分別記入其他全面收益或在權益內直接確認外，其他本年度稅項及遞延稅項資產及負債的變動則於損益確認。

本年稅項指期內就應課稅收入按結算日已生效或實質上已生效的稅率計算之預期應付稅項，並已包括以往年度應付稅項的任何調整。

遞延稅項資產和負債分別由可扣稅及應課稅暫時差異產生，而暫時差異乃資產及負債在財務報表上的賬面值與這些資產及負債的納稅基礎兩者之差異。遞延稅項資產亦可來自未使用的稅項虧損及未使用的稅項抵免。

除若干有限的特別情況外，所有遞延稅項負債，以及未來可能有應課稅溢利可供抵免的相關遞延稅項資產均予確認。確認遞延稅項資產及負債的有限特別情況，包括不可扣稅的商譽所產生的暫時差異，以及不影響會計或應課稅溢利的資產及負債之初始確認，以及有關於附屬公司之投資之暫時差異（就可課稅差異而言，則本集團可控制撥回時間及差異於可見將來或不能撥回，或就可扣減差異而言，則除非差異可於未來撥回）。

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

(r) Taxation

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognized in profit or loss except to the extent that they relate to items recognized in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognized in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilized, are recognized. The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets and liabilities that affect neither accounting nor taxable profits, and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

1 主要會計政策 (續)

(r) 稅項 (續)

當投資物業及發展中投資物業根據附註1(f)(1)所載按公平價值列賬，除該物業是可折舊及以一個商業模式所持有，而此模式並非透過出售形式而使用該物業所包含的大部份經濟利益，按投資物業之賬面值出售時所產生之稅項負債，計算其投資物業之任何遞延稅項。在其他情況下，確認遞延稅項的金額是根據該項資產及負債的賬面值之預期變現或償還方式，按在結算日已生效或實質上已生效的稅率計算。遞延稅項資產及負債均不貼現計算。

本集團於各結算日重新審閱遞延稅項資產的賬面值，對預期不再可能有足夠應課稅溢利以實現相關稅務利益的遞延稅項資產予以扣減。若日後可能出現足夠的應課稅溢利時，則有關扣減予以轉回。

因宣派股息所產生的額外所得稅於支付有關股息的責任確立時確認。

(s) 外幣換算

在本集團各公司之財務報表中之項目乃以最能反映與該公司相關的實質經濟狀況及事務之貨幣（「功能貨幣」）計算。本集團財務報表乃以港幣列報。

年內之外幣交易按交易日之匯率換算。以外幣計值的貨幣資產及負債則按結算日之匯率換算。匯兌收益及虧損均於損益確認。

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

(r) Taxation (Continued)

When investment properties and investment properties under development are carried at their fair value in accordance with the accounting policy set out in note 1(f)(1), the amount of deferred tax recognized is measured using the tax rates that would apply on sale of those assets at their carrying value at the end of the reporting period unless the property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognized is measured based on the expected manner of realization or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognized when the liability to pay the related dividends is recognized.

(s) Translation of foreign currencies

Items included in the financial statements of each entity in the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to the entity (“functional currency”). The financial statements of the Group are presented in Hong Kong dollars.

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognized in profit or loss.

財務報表附註

Notes to the Financial Statements

1 主要會計政策 (續)

(s) 外幣換算 (續)

外幣結餘之以歷史成本值列賬的非貨幣性資產及負債是按交易當日之兌換率折算。外幣結餘之以公平值列賬的非貨幣性資產及負債是按計算當日公平值之兌換率折算。

海外業務之業績按與交易日匯率相若之匯率換算為港幣。財務狀況表之項目則按結算日之匯率換算為港幣。所產生之匯兌差額於其他全面收益確認，以及於權益中之匯兌儲備累計。

於出售海外業務時，當出售損益確認時，該海外業務有關之累計匯兌差額將由權益項下重新分類至損益。

(t) 關連人士

1. 倘屬以下人士，即該人士或與該人士關係密切的家庭成員與本集團有關連：
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本集團或本集團母公司之主要管理層人員。

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

(s) Translation of foreign currencies (Continued)

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rate ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair values are translated using the foreign exchange rates ruling at the dates the fair value was determined.

The results of foreign operations are translated in Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items are translated into Hong Kong dollars at the foreign exchange rates ruling at the end of the reporting period. The resulting exchange differences are recognized in other comprehensive income and accumulated separately in equity in the exchange reserve.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognized.

(t) Related parties

1. A person, or a close member of that person's family, is related to the Group if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or the Group's parent.

1 主要會計政策 (續)

(t) 關連人士 (續)

2. 倘符合下列任何條件，即該實體與本集團有關連：
- (i) 該實體與本集團屬同一集團之成員公司（即各母公司、附屬公司及同系附屬公司彼此間有關連）。
 - (ii) 一間實體為另一實體的聯營公司或合營企業（或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業）。
 - (iii) 兩間實體均為同一第三方的合營企業。
 - (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司。
 - (v) 該實體為本集團或與本集團有關連之實體就僱員利益設立的離職福利計劃。
 - (vi) 該實體受於附註1(t)(1)所述的人士控制或受共同控制。
 - (vii) 於附註1(t)(1)(i)所述的人士對該實體有重大影響力或屬該實體（或該實體的母公司）主要管理層成員。

與該人士關係密切的家庭成員是指他們在與實體進行交易時，預期可能會影響該人士或受該人士影響的家庭成員。

(u) 分部報告

經營分部的呈報形式與提供予本集團的最高執行管理層供其分配資源、評估本集團不同業務或地域分佈的表現而作出的內部財務報告一致。就披露資料而言，可呈報分部可由一個或多個經營分部（該等分部因具備相類似的經濟特點及規管環境的性質而可予合併），或單一經營分部（因不能合併或超逾數量限額而單獨披露）組成。

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

(t) Related parties (Continued)

2. An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same Group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a Group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in note 1(t)(1).
 - (vii) A person identified in note 1(t)(1)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(u) Segment reporting

Operating segments are reported in a manner consistent with the Group's internal financial reporting to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of the Group's various lines of business and geographical locations. For disclosure purpose, a reportable segment comprises either one or more operating segments which can be aggregated together because they share similar economic characteristics and nature of the regulatory environment, or single operating segments which are disclosable separately because they cannot be aggregated or they exceed quantitative thresholds.

財務報表附註

Notes to the Financial Statements

1 主要會計政策 (續)

(v) 僱員福利

1. 短期僱員福利及定額供款退休計劃供款

薪金、年終花紅、有薪年假、非貨幣性福利成本及對界定供款退休計劃之供款（包括於中國內地及香港根據有關法例應付之款項）乃於本集團僱員提供有關服務之期內計提。

2. 股權支付

授予僱員之股份期權之公平值乃計及授出期權之條款及條件於授出日期計算，並依據期權將歸屬的可能性根據歸屬期按直線法列作開支，相應增加乃於權益（僱員股份補償儲備）中予以確認。

本公司在歸屬期內檢討預期歸屬之股份期權數目。已於以往年度確認之累計公平價值之任何所產生調整會在檢討當年在損益中列支/計入（若原來之僱員支出符合確認為資產的資格除外），並在僱員股份補償儲備作出相應調整。已確認為支出之數額會在歸屬日作出調整，以反映所歸屬股份期權之實際數目（同時對僱員股份補償儲備作出相應調整）。

倘股份期權獲行使，則相關僱員股份補償儲備連同行使價一併轉撥至股本及股份溢價。倘期權到期或於歸屬期後失效，則相關僱員股份補償儲備直接轉撥至保留溢利。

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

(v) Employee benefits

1. Short term employee benefits and contributions to defined contribution retirement schemes

Salaries, annual bonuses, paid annual leave, the cost of non-monetary benefits and obligation for contributions to defined contribution retirement schemes, including those payables in mainland China and Hong Kong under relevant legislation, are accrued in the year in which the associated services are rendered by employees of the Group.

2. Share-based payments

The fair value of share options granted to employees is measured at grant date, taking into account the terms and conditions upon which the options were granted, and is expensed on a straight line basis over the vesting period taking into account the probability that the options will vest, with a corresponding increase in equity (employee share-based compensation reserve).

During the vesting period, the number of share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognized in prior years is charged/credited to profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the employee share-based compensation reserve. On vesting date, the amount recognized as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the employee share-based compensation reserve).

At the time when the share options are exercised, the related employee share-based compensation reserve is transferred to share capital and share premium, together with the exercise price. If the options expire or lapse after the vesting period, the related employee share-based compensation reserve is transferred directly to retained profits.

2 會計政策之變動

香港會計師公會頒佈多項新訂及經修訂之 HKFRSs。此等準則在本集團當前之會計期間開始生效。其中與本集團相關的新準則及修訂如下：

- HKAS 1 (修訂本)，財務報表的呈報 — 其他全面收益項目之呈報
- HKFRS 10，綜合財務報表
- HKFRS 11，聯合協議
- HKFRS 12，其他組織權益披露
- HKFRS 13，公平值之量計
- 2009-2011年 HKFRSs 系列之年度改進
- HKFRS 7 (修訂本) — 披露 — 抵消金融資產及金融負債

(a) HKAS 1 (修訂本)，財務報表的呈報 — 其他全面收益項目之呈報

HKAS 1 (修訂本) 規定，在符合若干條件的情況下，實體須將可能於日後重新分類為損益的其他全面收益項目與永不會重新分類為損益的其他全面收益項目分開列報。本集團於財務報表中所呈報之其他全面收益已作出相應變更。

2 CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued a number of new HKFRSs and amendments to HKFRSs that are first effective for the current accounting period of the Group. Of these, the following developments are relevant to the Group's financial statements:

- Amendments to HKAS 1, Presentation of financial statements – Presentation of items of other comprehensive income
- HKFRS 10, Consolidated financial statements
- HKFRS 11, Joint arrangements
- HKFRS 12, Disclosure of interests in other entities
- HKFRS 13, Fair value measurement
- Annual Improvements to HKFRSs 2009-2011 Cycle
- Amendments to HKFRS 7 – Disclosures – Offsetting financial assets and financial liabilities

(a) Amendments to HKAS 1, Presentation of financial statements – Presentation of items of other comprehensive income

The amendments to HKAS 1 require entities to present the items of other comprehensive income that would be reclassified to profit or loss in the future if certain conditions are met separately from those that would never be reclassified to profit or loss. The Group's presentation of other comprehensive income in these financial statements has been modified accordingly.

財務報表附註

Notes to the Financial Statements

2 會計政策之變動 (續)

(b) HKFRS 10，綜合財務報表

HKFRS 10取代有關編製綜合財務報表之HKAS 27「綜合及獨立財務報表」及HK(SIC)-Int 12「合併—特殊目的之實體」之規定。此項準則採用單一控制模式，以釐定是否合併被投資公司之賬目，視乎有關實體是否有權控制被投資公司、參與被投資公司業務所得可變動回報的風險承擔或權利、及能否對被投資公司行使權力以影響回報金額。

因採用HKFRS 10後，本集團已修訂有關釐定是否有權控制被投資公司之會計政策。採用此準則不會改變本集團於二零一三年一月一日對參與其他實體業務所達致的任何有關控制權之結論。

(c) HKFRS 11，聯合協議

HKFRS 11取代HKAS 31「合營企業權益」，把聯合協議劃分為合營業務及合營企業。實體須就其在該等安排下的權力和責任，考慮聯合協議之結構、法律形式、合約條款及其他事項及情況，以釐定其類型。聯合協議若按HKFRS 11歸類為合營業務，則按所佔共同經營的權益限以分項總計法確認。其他所有聯合協議則根據HKFRS 11歸類為合營企業，並須按權益法在本集團合併財務報表入賬。會計政策中不再有比例合併的選擇權。

因採用HKFRS 11後，本集團已改變有關所佔聯合協議權益之會計政策，並重新評估其參與聯合協議的情況。採用HKFRS 11後對本集團之財務狀況和業績並無任何重大影響。

2 CHANGES IN ACCOUNTING POLICIES (Continued)

(b) HKFRS 10, Consolidated financial statements

HKFRS 10 replaces the requirements in HKAS 27 “Consolidated and separate financial statements” relating to the preparation of consolidated financial statements and HK(SIC)-Int 12 “Consolidation – Special purpose entities”. It introduces a single control model to determine whether an investee should be consolidated, by focusing on whether the entity has power over the investee, exposure or rights to variable returns from its involvement with the investee and the ability to use its power to affect the amount of those returns.

As a result of the adoption of HKFRS 10, the Group has changed its accounting policy with respect to determining whether it has control over an investee. The adoption does not change any of the control conclusions reached by the Group in respect of its involvement with other entities as at January 1, 2013.

(c) HKFRS 11, Joint arrangements

HKFRS 11, which replaces HKAS 31 “Interests in joint ventures” divides joint arrangements into joint operations and joint ventures. Entities are required to determine the type of an arrangement by considering the structure, legal form, contractual terms and other facts and circumstances relevant to their rights and obligations under the arrangement. Joint arrangements which are classified as joint operations under HKFRS 11 are recognized on a line-by-line basis to the extent of the joint operator’s interest in the joint operation. All other joint arrangements are classified as joint ventures under HKFRS 11 and are required to be accounted for using the equity method in the Group’s consolidated financial statements. Proportionate consolidation is no longer allowed as an accounting policy choice.

As a result of the adoption of HKFRS 11, the Group has changed its accounting policy with respect to its interests in joint arrangements and re-evaluated its involvement in its joint arrangements. The adoption of HKFRS 11 does not have any material impact on the financial position and the financial result of the Group.

2 會計政策之變動 (續)

(d) HKFRS 12，其他組織權益披露

HKFRS 12對實體於附屬公司、聯合協議、聯營公司及未經綜合入賬結構實體之權益之所有相關披露規定，匯集成單一標準。HKFRS 12之披露規定較以往相關準則之規定一般都更為廣泛。在此規定適用於本集團的範圍內，本集團已在附註14中作出披露。

(e) HKFRS 13，公平值之量計

HKFRS 13以單一公平值計量指引，取代個別HKFRSs於此事宜的現有指引。HKFRS 13也就有關金融工具及非金融工具之公平值計量包含廣泛披露規定。在此規定適用於本集團的範圍內，本集團已在附註12中作出披露。

(f) 2009-2011年HKFRSs系列之年度改進

此年度改進系列包括五項準則的修訂及其他準則和詮釋的相應修訂。採用此等修訂後對本集團之財務報表並無任何重大影響。

(g) HKFRS 7 (修訂本) — 披露 — 抵消金融資產及金融負債

此修訂引入有關金融資產與金融負債互相抵銷的新增披露事項。新增的披露規定涵蓋所有已按照HKAS 32「金融工具：列報」對銷的已確認金融工具，亦涵蓋類似該等金融工具和交易的可執行的總淨額結算安排或類似協議，不管該等金融工具是否已按照HKAS 32互相抵銷。

由於本集團並無抵銷金融工具，也沒有於呈報期間訂立受到HKFRS 7具披露規定的總淨額結算安排或類似協議，因此採納本修訂對本集團呈報期間的財務報表並無影響。

2 CHANGES IN ACCOUNTING POLICIES (Continued)

(d) HKFRS 12, Disclosure of interests in other entities

HKFRS 12 brings together into a single standard all the disclosure requirements relevant to an entity's interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities. The disclosures required by HKFRS 12 are generally more extensive than those previously required by the respective standards. To the extent that the requirements are applicable to the Group, the Group has provided those disclosures in note 14.

(e) HKFRS 13, Fair value measurement

HKFRS 13 replaces existing guidance in individual HKFRSs with a single source of fair value measurement guidance. HKFRS 13 also contains extensive disclosure requirements about fair value measurements for both financial instruments and non-financial instruments. To the extent that the requirements are applicable to the Group, the Group has provided those disclosures in note 12.

(f) Annual Improvements to HKFRSs 2009-2011 Cycle

This cycle of annual improvements contains amendments to five standards with consequential amendments to other standards and interpretations. The adoption of these amendments does not have significant impact on the financial statements of the Group.

(g) Amendments to HKFRS 7 – Disclosures – Offsetting financial assets and financial liabilities

The amendments introduce new disclosures in respect of offsetting financial assets and financial liabilities. Those new disclosures are required for all recognized financial instruments that are set off in accordance with HKAS 32 “Financial instruments: Presentation” and those that are subject to an enforceable master netting arrangement or similar agreement that covers similar financial instruments and transactions, irrespective of whether the financial instruments are set off in accordance with HKAS 32.

The adoption of the amendments does not have an impact on these financial statements because the Group has not offset financial instruments, nor has it entered into master netting arrangement or similar agreement which is subject to the disclosures of HKFRS 7 during the periods presented.

財務報表附註

Notes to the Financial Statements

3 營業額及分部資料

本集團按其提供之服務及產品的性質來管理其業務。管理層已確定三個應列報的經營分部以計量表現及分配資源。三個分部分別是香港及中國內地的物業租賃，及香港的物業銷售。

物業租賃分部包括物業租賃營運。本集團之投資物業組合主要包括位於香港及中國內地的商舖、寫字樓、住宅、服務式寓所及停車場。物業銷售分部包括發展及銷售本集團位於香港之銷售物業。

管理層主要根據除稅前溢利來評估表現。

分部資產主要包括直接屬於每個分部的全部非流動資產及流動資產，惟合營企業權益、其他資產、遞延稅項資產和現金及銀行存款除外。分部資產包括以公平值列賬之投資物業，但分部溢利並不包括投資物業之公平值變動。

3 TURNOVER AND SEGMENT INFORMATION

The Group manages its businesses according to the nature of services and products provided. Management has determined three reportable operating segments for the measurement of performance and the allocation of resources. The segments are property leasing in Hong Kong and mainland China and property sales in Hong Kong.

Property leasing segment includes property leasing operation. The Group's investment properties portfolio, which mainly consists of retail, office, residential, serviced apartments and car parks are primarily located in Hong Kong and mainland China. Property sales segment includes development and sale of the Group's trading properties in Hong Kong.

Management evaluates performance primarily based on profit before taxation.

Segment assets principally comprise all non-current assets and current assets directly attributable to each segment with the exception of interest in joint ventures, other assets, deferred tax assets and cash and deposits with banks. The investment properties of the Group are included in segment assets at their fair values whilst the change in fair value of investment properties is not included in segment profits.

3 營業額及分部資料 (續)

(a) 分部營業額及業績

以港幣百萬元計算	in HK\$ Million	營業額 Turnover		除稅前溢利 Profit before taxation	
		2013	2012	2013	2012
分部	Segment				
物業租賃	Property leasing				
– 香港	– Hong Kong	3,112	3,016	2,643	2,525
– 中國內地	– Mainland China	3,526	3,082	2,683	2,371
		6,638	6,098	5,326	4,896
物業銷售	Property sales				
– 香港	– Hong Kong	2,500	1,274	1,511	846
分部總額	Segment total	9,138	7,372	6,837	5,742
其他收入	Other income			36	2,153
行政費用 (附註)	Administrative expenses (Note)			(642)	(626)
未計入投資物業 之公平值變動的 營業溢利	Operating profit before change in fair value of investment properties			6,231	7,269
投資物業之 公平值增加	Increase in fair value of investment properties			2,482	2,522
– 於香港之物業租賃	– property leasing in Hong Kong			1,607	1,703
– 於中國內地之物業租賃	– property leasing in mainland China			875	819
利息收入	Interest income			793	621
財務費用	Finance costs			(398)	(348)
利息收入淨額	Net interest income			395	273
應佔合營企業溢利	Share of profits of joint ventures			96	105
除稅前溢利	Profit before taxation			9,204	10,169

附註：

行政費用包括股權費用一億六千四百萬元 (二零一二年：二億三千三百萬元)。股權費用為授予僱員的股份期權於歸屬期內之公平值的攤銷，本集團沒有因此產生現金流出。

Note:

Administrative expenses included share-based payments of \$164 million (2012: \$233 million) representing the amortization of the fair value of options granted to employees over the vesting period and do not involve any cash outflow for the Group.

財務報表附註

Notes to the Financial Statements

3 營業額及分部資料 (續)

(b) 分部總資產

以港幣百萬元計算	in HK\$ Million	總資產 Total assets	
		2013	2012
分部	Segment		
物業租賃	Property leasing		
– 香港	– Hong Kong	55,009	53,279
– 中國內地	– Mainland China	84,417	70,924
		139,426	124,203
物業銷售	Property sales		
– 香港	– Hong Kong	7,488	6,131
分部總額	Segment total	146,914	130,334
合營企業權益	Interest in joint ventures	1,030	1,041
其他資產	Other assets	8	452
遞延稅項資產	Deferred tax assets	7	12
現金及銀行存款	Cash and deposits with banks	34,321	36,025
總資產	Total assets	182,280	167,864

4 其他收入

4 OTHER INCOME

以港幣百萬元計算	in HK\$ Million	2013	2012
出售投資物業收益	Gain on disposal of investment properties	8	2,148
非上市投資項目之股息收入	Dividend income from unlisted investments	10	–
匯兌收益淨額	Net exchange gain	18	5
		36	2,153

5 利息收入淨額

5 NET INTEREST INCOME

以港幣百萬元計算	in HK\$ Million	2013	2012
利息收入	Interest income on		
銀行存款	Bank deposits	782	602
非上市持至到期日投資	Unlisted held-to-maturity investments	11	19
		793	621
利息支出	Interest expenses on		
須於五年內償還之銀行貸款及其他借貸	Bank loans and other borrowings repayable within 5 years	626	400
須於五年後償還之銀行貸款及其他借貸	Bank loans and other borrowings repayable over 5 years	430	292
		1,056	692
融資租賃費用	Finance lease charges	–	3
其他借貸成本	Other borrowing costs	58	46
借貸成本總額	Total borrowing costs	1,114	741
減：借貸成本資本化（附註）	Less: Borrowing costs capitalized (Note)	(716)	(393)
財務費用	Finance costs	398	348
利息收入淨額	Net interest income	395	273

附註：

發展中物業之借貸成本已按每年百分之三點三（二零一二年：百分之二點九）之平均率資本化。

Note:

The borrowing costs have been capitalized at an average rate of 3.3% (2012: 2.9%) per annum for properties under development.

6 除稅前溢利

6 PROFIT BEFORE TAXATION

以港幣百萬元計算	in HK\$ Million	2013	2012
除稅前溢利已扣除下列各項：	Profit before taxation is arrived at after charging:		
已出售物業成本	Cost of properties sold	786	354
職工成本，包括僱員股權費用 一億六千四百萬元（二零一二年： 二億三千三百萬元）	Staff costs, including employee share-based payments of \$164 million (2012: \$233 million)	959	907
折舊	Depreciation	37	35
營業租賃費用	Operating lease charges	–	20
核數師酬金	Auditors' remuneration		
– 核數服務	– audit services	7	8
– 稅務及其他服務	– tax and other services	5	5
並已計入：	and after crediting:		
投資物業之租金收入總額，已扣除 直接支出十三億一千二百萬元 （二零一二年：十二億零二百萬元）， 包括或然租金三億零一百萬元 （二零一二年：三億四千五百萬元）	Gross rental income from investment properties less direct outgoings of \$1,312 million (2012: \$1,202 million), including contingent rentals of \$301 million (2012: \$345 million)	5,326	4,896

財務報表附註

Notes to the Financial Statements

7 董事及高級管理人員之酬金

提名及薪酬委員會包括五名獨立非執行董事。該委員會向董事會提供有關非執行董事及獨立非執行董事的薪酬福利建議，並決定個別執行董事的薪酬福利。董事的酬金乃按照職責及問責範圍、執行董事的個別表現，經考慮本公司的表現及盈利、市場慣例及現行的業務狀況等而釐定。

(a) 董事酬金

董事酬金詳列如下：

以港幣百萬元計算		in HK\$ Million					
姓名	Name	袍金 Fees	薪金、津貼 及實物利益 Salaries, allowances and benefits in kind	酌定花紅 Discretionary bonuses	本集團對 退休金計劃 之供款 Group's contributions to retirement scheme	2013	2012
執行董事		Executive Directors					
陳啟宗	Ronnie C. Chan	0.9	23.5	8.0	2.4	34.8	33.1
陳南祿	Philip N.L. Chen	0.7	22.1	8.0	1.1	31.9	30.5
何孝昌	H.C. Ho	0.7	4.5	3.7	0.3	9.2	8.5
非執行董事		Non-Executive Director					
袁偉良	Nelson W.L. Yuen	0.7	–	–	–	0.7	0.3
獨立非執行董事		Independent Non-Executive Directors					
殷尚賢	S.S. Yin	0.7	–	–	–	0.7	0.3
夏佳理	Ronald J. Arculli	0.7	–	–	–	0.7	0.3
鄭漢鈞	H.K. Cheng	0.9	–	–	–	0.9	0.4
陳樂怡	Laura L.Y. Chen	0.9	–	–	–	0.9	0.4
廖柏偉	P.W. Liu	0.9	–	–	–	0.9	0.4
何潮輝	Dominic C.F. Ho	0.9	–	–	–	0.9	0.4
前董事		Ex-Directors					
高伯道 (於二零一二年 十二月十二日辭任)	William P.Y. Ko (Resigned on December 12, 2012)	–	–	–	–	–	14.0
姚子賢 (於二零一二年 十二月十一日辭任)	Henry T.Y. Yiu (Resigned on December 11, 2012)	–	–	–	–	–	6.6
二零一三年	2013	8.0	50.1	19.7	3.8	81.6	95.2
二零一二年	2012	3.9	62.8	23.5	5.0	95.2	

除以上酬金外，高伯道先生及姚子賢先生於二零一二年十二月三十一日止年度，分別獲取八十萬及四十萬元受僱為本公司僱員提供服務之薪金。

7 EMOLUMENTS OF DIRECTORS AND SENIOR MANAGEMENT

The Nomination and Remuneration Committee consists of five Independent Non-Executive Directors. The Committee makes recommendation to the Board on the Non-Executive Director's and Independent Non-Executive Directors' remuneration packages and determines the remuneration package of individual Executive Directors. The emoluments of directors are determined by the scope of responsibility and accountability, and performance of individual Executive Directors, taking into consideration of the Company's performance and profitability, market practice and prevailing business conditions, etc.

(a) Directors' emoluments

Details of directors' emoluments are summarized below:

In addition to the above emoluments, Mr. William P.Y. Ko and Mr Henry T.Y. Yiu received \$0.8 million and \$0.4 million, respectively, for the year ended December 31, 2012 for their services as employee of the Company.

7 董事及高級管理人員之酬金 (續)

(b) 最高薪人士之酬金

在五名最高薪人士中，三位（二零一二年：三位）為本公司現任董事及無（二零一二年：兩位）本公司前董事。有關其餘二位（二零一二年：無）人士之酬金如下：

以港幣百萬元計算	in HK\$ Million	2013	2012
薪金、津貼及實物利益	Salaries, allowances and benefits in kind	9.1	–
酌定花紅	Discretionary bonuses	2.0	–
本集團對退休金計劃之供款	Group's contributions to retirement scheme	0.8	–
		11.9	–

以上兩位（二零一二年：無）人士之酬金介乎以下酬金範疇：

7 EMOLUMENTS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

(b) Individuals with highest emoluments

Of the five individuals with the highest emoluments, three (2012: three) are existing directors of the Company and nil (2012: two) is ex-director of the Company and the emoluments in respect of the remaining two (2012: nil) individuals are as follows:

The emoluments of the above two (2012: nil) individuals are within the following bands:

	人數 Number of individuals	
	2013	2012
\$4,000,001 – \$4,500,000	1	–
\$7,500,001 – \$8,000,000	1	–
	2	–

(c) 除以上酬金外，若干董事根據本公司及其最終控股公司恒隆集團有限公司的股份期權計劃獲授予股份期權。本公司授出之股份期權詳情於附註28(b)披露。

(d) 截至二零一三年及二零一二年十二月三十一日止年度，概無向上述董事及高級行政人員支付款項作為離職補償或招攬彼等加盟本集團。

(c) In addition to the above emoluments, certain directors of the Company were granted share options under the share option schemes of the Company and its ultimate holding company, Hang Lung Group Limited. Details of which are disclosed in note 28(b).

(d) During the years ended December 31, 2013 and 2012, there were no amounts paid to directors and senior executives above for compensation of loss of office and inducement for joining the Group.

財務報表附註

Notes to the Financial Statements

8 綜合收益表內之稅項

(a) 綜合收益表內之稅項為：

以港幣百萬元計算	in HK\$ Million	2013	2012
本年稅項	Current tax		
香港利得稅	Hong Kong Profits Tax	576	435
以往年度撥備之多提	Over-provision in prior years	(3)	(12)
		573	423
中國所得稅	China Income Tax	559	550
		1,132	973
遞延稅項	Deferred tax		
投資物業之公平值變動	Change in fair value of investment properties	219	205
其他源自及撥回暫時性差額	Other origination and reversal of temporary differences	96	71
合計(附註21(b))	Total (Note 21(b))	315	276
稅項支出總計	Total income tax expense	1,447	1,249

香港利得稅稅項撥備乃按年度內之估計應課稅溢利以百分之十六點五(二零一二年：百分之十六點五)計算。中國所得稅主要為中國企業所得稅按百分之二十五(二零一二年：百分之二十五)計算及中國預提所得稅按適用稅率計算。就香港公司從中國內地之外商投資企業獲取由二零零八年一月一日起產生之盈利所派發之股息均須按百分之五繳納預提所得稅。

(b) 截至二零一三年十二月三十一日止年度之應佔合營企業稅項九百萬元(二零一二年：八百萬元)已計入應佔合營企業溢利內。

8 TAXATION IN THE CONSOLIDATED INCOME STATEMENT

(a) Taxation in the consolidated income statement represents:

Provision for Hong Kong Profits Tax is calculated at 16.5% (2012: 16.5%) of the estimated assessable profits for the year. China Income Tax mainly represents China Corporate Income Tax calculated at 25% (2012: 25%) and China withholding income tax at the applicable rates. A withholding tax of 5% is levied on the Hong Kong companies in respect of dividend distributions arising from profits of foreign investment enterprises in mainland China earned after January 1, 2008.

(b) Share of joint ventures' taxation for the year ended December 31, 2013 of \$9 million (2012: \$8 million) is included in the share of profits of joint ventures.

8 綜合收益表內之稅項 (續)

(c) 稅項支出與除稅前溢利以適用稅率計算之調節：

以港幣百萬元計算	in HK\$ Million	2013	2012
除稅前溢利	Profit before taxation	9,204	10,169
按除稅前溢利以適用稅率計算之稅項	Tax on profit before taxation at applicable rates	1,831	1,966
非應課稅收入之稅項影響	Tax effect of non-taxable income	(376)	(717)
非扣減支出之稅項影響	Tax effect of non-deductible expenses	35	61
因已使用之稅務虧損及其他可扣減暫時性差異之稅項影響	Tax effect of tax losses utilized and other deductible temporary differences	(111)	(98)
未確認之稅務虧損之稅項影響	Tax effect of unrecognized tax losses	71	49
以往年度撥備之多提	Over-provision in prior years	(3)	(12)
實際稅項支出	Actual tax expense	1,447	1,249

(d) 年內，在其他全面收益下所示的項目均無稅務影響。

9 股東應佔純利

股東應佔純利包括本公司財務報表內之溢利三十三億八千萬港元(二零一二年：二十四億八千三百萬元)。

10 股息

(a) 本年度股息

以港幣百萬元計算	in HK\$ Million	2013	2012
已宣佈及已派發中期股息每股十七仙(二零一二年：十七仙)	Interim dividend declared and paid of 17 cents (2012: 17 cents) per share	761	761
於結算日後擬派末期股息每股五十八仙(二零一二年：五十七仙)	Final dividend of 58 cents (2012: 57 cents) per share proposed after the end of the reporting period	2,598	2,552
		3,359	3,313

於結算日後擬派之末期股息，並無確認為結算日之負債。

(b) 截至二零一二年十二月三十一日止年度之二十五億五千三百萬元末期股息(根據每股五十七仙並按派息日之已發行股本計算)於二零一三年十二月三十一日止年度批准及派發(二零一二年：十六億一千一百萬元)。

8 TAXATION IN THE CONSOLIDATED INCOME STATEMENT (Continued)

(c) Reconciliation between actual tax expense and profit before taxation at applicable tax rates:

(d) There is no tax effect relating to the component of the other comprehensive income for the year.

9 NET PROFIT ATTRIBUTABLE TO SHAREHOLDERS

Net profit attributable to shareholders includes a profit of \$3,380 million (2012: \$2,483 million) which has been dealt with in the financial statements of the Company.

10 DIVIDENDS

(a) Dividends attributable to the year

The dividend proposed after the end of the reporting period has not been recognized as a liability at the end of the reporting period.

(b) The final dividend of \$2,553 million (calculated based on 57 cents per share with issued share capital as at dividend pay-out date) for the year ended December 31, 2012 was approved and paid in the year ended December 31, 2013 (2012: \$1,611 million).

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Notes to the Financial Statements

11 每股盈利

(a) 每股基本及攤薄盈利乃按以下數據計算：

以港幣百萬元計算	in HK\$ Million	2013	2012
用以計算每股基本及攤薄盈利之盈利(即股東應佔純利)	Earnings for calculation of basic and diluted earnings per share (net profit attributable to shareholders)	7,212	8,395

以百萬股計算	in Million	股份數目 Number of shares	
		2013	2012
用以計算每股基本盈利之股份加權平均數	Weighted average number of shares used in calculating basic earnings per share	4,478	4,474
具攤薄作用之潛在股份之影響 — 股份期權	Effect of dilutive potential shares – share options	10	22
用以計算每股攤薄盈利之股份加權平均數	Weighted average number of shares used in calculating diluted earnings per share	4,488	4,496

(b) 股東應佔基本純利(不包括投資物業公平值變動, 並扣除相關遞延稅項及非控股權益)之計算如下：

11 EARNINGS PER SHARE

(a) The calculation of basic and diluted earnings per share is based on the following data:

(b) The underlying net profit attributable to shareholders which excluded changes in fair value of investment properties net of related deferred tax and non-controlling interests, is calculated as follows:

以港幣百萬元計算	in HK\$ Million	2013	2012
股東應佔純利	Net profit attributable to shareholders	7,212	8,395
投資物業之公平值變動之影響	Effect of changes in fair value of investment properties	(2,482)	(2,522)
相關遞延稅項之影響	Effect of corresponding deferred tax	219	205
合營企業的投資物業之公平值變動之影響	Effect of change in fair value of investment properties of joint ventures	(43)	(62)
		(2,306)	(2,379)
非控股權益	Non-controlling interests	144	162
		(2,162)	(2,217)
股東應佔基本純利	Underlying net profit attributable to shareholders	5,050	6,178

根據股東應佔基本純利計算之每股盈利為：

The earnings per share based on underlying net profit attributable to shareholders are:

		2013	2012
基本	Basic	\$1.13	\$1.38
攤薄	Diluted	\$1.13	\$1.37

12 固定資產 — 集團

12 FIXED ASSETS – GROUP

以港幣百萬元計算	in HK\$ Million	投資物業 Investment properties	發展中投資物業 Investment properties under development	其他 Others	合計 Total
成本值或估值：	Cost or valuation:				
於二零一二年一月一日	At January 1, 2012	93,610	23,613	304	117,527
匯兌調整	Exchange adjustment	34	(37)	–	(3)
添置	Additions	403	5,614	79	6,096
出售	Disposals	(3,054)	–	(18)	(3,072)
公平值增加	Increase in fair value	2,522	–	–	2,522
轉入/(轉出)	Transfer	4,708	(4,708)	–	–
於二零一二年十二月三十一日 及二零一三年一月一日	At December 31, 2012 and January 1, 2013	98,223	24,482	365	123,070
匯兌調整	Exchange adjustment	1,420	767	5	2,192
添置	Additions	745	9,951	75	10,771
出售	Disposals	(5)	–	(4)	(9)
公平值增加	Increase in fair value	2,482	–	–	2,482
轉入/(轉出)	Transfer	4,722	(4,722)	–	–
於二零一三年十二月三十一日	At December 31, 2013	107,587	30,478	441	138,506
累計折舊：	Accumulated depreciation:				
於二零一二年一月一日	At January 1, 2012	–	–	87	87
匯兌調整	Exchange adjustment	–	–	–	–
本年度折舊	Charge for the year	–	–	35	35
因出售撥回	Written back on disposals	–	–	(7)	(7)
於二零一二年十二月三十一日 及二零一三年一月一日	At December 31, 2012 and January 1, 2013	–	–	115	115
匯兌調整	Exchange adjustment	–	–	2	2
本年度折舊	Charge for the year	–	–	37	37
因出售撥回	Written back on disposals	–	–	(2)	(2)
於二零一三年十二月三十一日	At December 31, 2013	–	–	152	152
賬面淨值：	Net book value:				
於二零一三年十二月三十一日	At December 31, 2013	107,587	30,478	289	138,354
於二零一二年十二月三十一日	At December 31, 2012	98,223	24,482	250	122,955
固定資產之成本值或 估值如下：	Cost or valuation of the fixed assets is made up as follows:				
二零一三年十二月三十一日	December 31, 2013				
估值	Valuation	107,587	30,478	–	138,065
成本值	Cost	–	–	441	441
		107,587	30,478	441	138,506
二零一二年十二月三十一日	December 31, 2012				
估值	Valuation	98,223	24,482	–	122,705
成本值	Cost	–	–	365	365
		98,223	24,482	365	123,070

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Notes to the Financial Statements

12 固定資產 — 集團 (續)

(a) 物業公平值計量

(i) 公平值層級

下表載列本集團經常性地於結算日按公平值計量的投資物業及發展中投資物業的價值，並根據HKFRS 13「公平值之量計」所界定的公平值層級分類為三個級別。公平值之級別分類乃參考估值方法採用的輸入元素的可觀察性及重要性，說明如下：

- 第一級估值：僅使用第一級輸入元素計量的公平值，即於計量日採用相同資產或負債於活躍市場的未經調整報價
- 第二級估值：使用第二級輸入元素計量的公平值，即可觀察的輸入元素，其未能滿足第一級的要求，但也不屬於重大不可觀察的輸入元素。不可觀察輸入元素為無市場數據的輸入元素
- 第三級估值：使用重大不可觀察輸入元素計量的公平值

12 FIXED ASSETS – GROUP (Continued)

(a) Fair value measurement of properties

(i) Fair value hierarchy

The following table presents the fair value of the Group's investment properties and investment properties under development measured at the end of the reporting period on a recurring basis, categorized into a three-level fair value hierarchy as defined in HKFRS 13 "Fair value measurement". The level into which a fair value measurement is classified and determined with reference to the observability and significance of the inputs used in the valuation technique is as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
- Level 3 valuations: Fair value measured using significant unobservable inputs

於二零一三年十二月三十一日之公平值計量
Fair Value measurement as December 31, 2013

以港幣百萬元計算	in HK\$ Million	第一級 Level 1	第二級 Level 2	第三級 Level 3
投資物業	Investment properties	–	107,587	–
發展中投資物業	Investment properties under development	–	–	30,478

按本集團之政策，當公平值層級發生轉撥時予以確認。年內，除價值四十七億二千二百萬元的恒隆廣場•無錫購物商場於開業時由發展中投資物業轉撥至投資物業外，並無其他公平值層級的轉撥。

本集團之投資物業及發展中投資物業已於二零一三年十二月三十一日由第一太平戴維斯估值及專業顧問有限公司之註冊專業測量師(產業測量)陳超國先生按市值基準進行估值。管理層已就估值假設及估值結果於各中期及年度報告日期與測量師進行討論。

The Group's policy is to recognize transfers between levels of fair value hierarchy at the time in which they occur. During the year, except for the transfer from investment properties under development to investment properties of \$4,722 million upon opening of Center 66 mall, there were no transfers between levels of fair value hierarchy.

The investment properties and investment properties under development of the Group were revalued as at December 31, 2013 by Mr. Charles C.K. Chan, Registered Professional Surveyor (General Practice), of Savills Valuation and Professional Services Limited, on a market value basis. Management has discussion with the surveyors on the valuation assumptions and valuation results when the valuation is performed at each interim and annual reporting date.

12 固定資產 — 集團 (續)

(a) 物業公平值計量 (續)

(ii) 第二級公平值計量使用之估值方法及輸入元素

投資物業之公平值乃按收入資本化法估值，並參考現有之市場租金及資本化比率該等市場數據。

(iii) 第三級公平值計量的資料

位於中國內地的發展中投資物業之公平值乃按直接比較法估值，並參考市場上可比較之交易，計算假設物業落成時之公平值，及如適用，再扣減以下項目：

- 預計市場參與者需投入之開發成本使該物業可以落成；及
- 預計市場參與者就持有及發展該物業至落成時所需之邊際利潤。

較高之預計開發成本及邊際利潤將減少發展中投資物業之公平值。

本集團使用之主要的第三級不可觀察輸入元素載列如下：

本集團發展中投資物業預計總開發成本介乎三十九億至二百一十四億元。有關預計成本與本集團內部按管理經驗及對市場認知而設定之預算大致相同。

12 FIXED ASSETS – GROUP (Continued)

(a) Fair value measurement of properties (Continued)

(ii) Valuation techniques and inputs used in Level 2 fair value measurements

The fair value of investment properties is determined by using income capitalization approach with reference to current market rents and capitalization rates using market data.

(iii) Information about Level 3 fair value measurements

The fair value of investment properties under development in mainland China is determined by using direct comparison approach, with reference to comparable market transactions as available in the market to derive the fair value of the property assuming it was completed and, wherever appropriate, deducted the following items:

- Estimated development cost to be expended to complete the properties that would be incurred by a market participant; and
- Estimated profit margin that a market participant would require to hold and develop the property to completion.

The higher the estimated development cost or profit margin, the lower the fair value of investment properties under construction.

The main Level 3 unobservable inputs used by the Group are as follows:

The total estimated development costs of the Group's investment properties under development ranged from \$3.9 billion to \$21.4 billion. The estimates are largely consistent with the budgets developed internally by the Group based on management experience and knowledge of market conditions.

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12 固定資產 — 集團 (續)

(a) 物業公平值計量 (續)

(iii) 第三級公平值計量的資料 (續)

年內該等第三級公平值計量金額的變動情況如下：

以港幣百萬元計算	in HK\$ Million	發展中投資物業 — 中國內地 Investment properties under development – Mainland China
於二零一三年一月一日	At January 1, 2013	24,482
匯兌調整	Exchange adjustment	767
添置	Additions	9,951
公平值增加	Increase in fair value	–
轉出至第二級	Transfer to Level 2	(4,722)
於二零一三年十二月三十一日	At December 31, 2013	30,478
已計入損益之全年收益總額	Total gains for the year included in profit or loss	–

投資物業及發展中投資物業之公平值調整於綜合收益表中以「投資物業之公平值增加」一項列賬。

12 FIXED ASSETS – GROUP (Continued)

(a) Fair value measurement of properties (Continued)

(iii) Information about Level 3 fair value measurements (Continued)

The movements during the year in the balances of these Level 3 fair value measurements are as follows:

Fair value adjustments of investment properties and investment properties under development is recognized in “Increase in fair value of investment properties” in the consolidated income statement.

(b) 物業之賬面淨值分析如下：

(b) An analysis of net book value of properties is as follows:

以港幣百萬元計算	in HK\$ Million	投資物業 Investment properties		發展中投資物業 Investment properties under development	
		2013	2012	2013	2012
香港長期地契	Long leases in Hong Kong	35,618	34,440	–	–
香港境外長期地契	Long leases outside Hong Kong	–	–	835	797
香港中期地契	Medium term leases in Hong Kong	19,005	18,446	–	–
香港境外中期地契	Medium term leases outside Hong Kong	52,964	45,337	29,643	23,685
		107,587	98,223	30,478	24,482

12 固定資產 — 集團 (續)

- (c) 本集團其他固定資產之賬面淨值包括位於香港以長期地契持有之土地及建築物一千四百萬元(二零一二年：一千四百萬元)以及香港境外以中期地契持有之土地及建築物八百萬元(二零一二年：八百萬元)及以長期地契持有之土地及建築物四千八百萬元(二零一二年：三千五百萬元)。

物業租賃收益包括投資物業之租金收入總額六十六億三千八百萬元(二零一二年：六十億零九千八百萬元)。

- (d) 本集團根據營業租賃出租其物業。該等租約一般初步為期二至五年，其中部份有權選擇續約，屆時重新協商所有條款。長期租約通常會訂明重新檢討或調整租金之條款，而本集團每年均有一定比例的租約期滿續約。若干租約包括或然租金，乃參照租戶之收入而釐定。

於結算日，本集團就投資物業及發展中投資物業，根據不可撤銷之營業租賃最少應收之未來租金總額如下：

以港幣百萬元計算	in HK\$ Million	2013	2012
一年內	Within 1 year	5,598	4,931
一年後但五年內	After 1 year but within 5 years	7,825	7,497
五年後	After 5 years	1,991	2,207
		15,414	14,635

12 FIXED ASSETS – GROUP (Continued)

- (c) The net book value of other fixed assets of the Group included long leases of \$14 million (2012: \$14 million) in respect of land and building held in Hong Kong, medium term leases of \$8 million (2012: \$8 million) and long leases of \$48 million (2012: \$35 million) in respect of land and buildings held outside Hong Kong respectively.

Property leasing revenue includes gross rental income from investment properties of \$6,638 million (2012: \$6,098 million).

- (d) The Group leases out its properties under operating leases. Leases typically run for an initial period of two to five years, with some having the option to renew, at which time all terms are renegotiated. Long term leases contain rent review or adjustment clauses and the Group has a regular proportion of its leases up for renewal each year. Certain leases include contingent rentals calculated with reference to the revenue of tenants.

At the end of the reporting period, the Group's total future minimum lease income under non-cancellable operating leases in respect of investment properties were as follows:

財務報表附註

Notes to the Financial Statements

13 附屬公司權益

13 INTEREST IN SUBSIDIARIES

以港幣百萬元計算	in HK\$ Million	公司 Company	
		2013	2012
非上市股份，成本值	Unlisted shares, at cost	8	8
應收附屬公司款項	Amounts due from subsidiaries	64,348	71,625
		64,356	71,633

- (a) 主要附屬公司之詳細資料載於附註35。
- (b) 應收附屬公司款項為無抵押、免息及無固定還款期，而因預期該等款項於未來十二個月內不會收回，故列作非流動資產。
- (c) 應付附屬公司款項為無抵押、免息及無固定還款期，而因預期該等款項於未來十二個月內不會償還，故列作非流動負債。
- (a) Details of principal subsidiaries are set out in note 35.
- (b) Amounts due from subsidiaries are unsecured, interest-free with no fixed terms of repayment and classified as non-current assets as they are not expected to be recoverable within the next twelve months.
- (c) Amounts due to subsidiaries are unsecured, interest-free with no fixed terms of repayment and classified as non-current liabilities as they are not expected to be repaid within the next twelve months.

14 合營企業權益

14 INTEREST IN JOINT VENTURES

以港幣百萬元計算	in HK\$ Million	集團 Group	
		2013	2012
應佔資產淨值 — 非上市股份	Share of net assets – unlisted shares	1,160	1,082
應付合營企業款項	Amount due to a joint venture	(130)	(41)
		1,030	1,041

應付合營企業款項均為無抵押、以市場利率計息及無固定還款期，而因預期該等款項不會於未來十二個月內償還，故列作非流動負債。

合營企業之詳細資料載於附註36。本集團於個別並不重大的合營企業之權益的合計相關財務資料概述如下：

Amount due to a joint venture is unsecured, interest-bearing at market rate with no fixed terms of repayment and classified as non-current liabilities as it is not expected to be repayable within the next twelve months.

Details of joint ventures are set out in note 36. The aggregate financial information related to the Group's share of joint ventures that are not individually material are as follows:

以港幣百萬元計算	in HK\$ Million	2013	2012
非流動資產	Non-current assets	1,189	1,146
流動資產	Current assets	76	41
非流動負債	Non-current liabilities	(86)	(80)
流動負債	Current liabilities	(19)	(25)
資產淨值	Net assets	1,160	1,082

以港幣百萬元計算	in HK\$ Million	2013	2012
營業額	Turnover	71	65
本年度溢利及全面收益總額	Profit and total comprehensive income for the year	96	105

15 其他資產

15 OTHER ASSETS

		集團 Group	
以港幣百萬元計算	in HK\$ Million	2013	2012
香港非上市持至到期日投資(附註)	Unlisted held-to-maturity investments in Hong Kong (Note)	–	452
貸款予非上市投資公司	Advances to unlisted investee companies	8	–
		8	452
減：到期日少於一年之香港非上市持至到期日投資(附註)	Less: Unlisted held-to-maturity investments in Hong Kong with maturity less than one year (Note)	–	(452)
		8	–

附註：

本集團持有非上市債券投資：此投資於二零一三年十一月及二零一三年十二月到期。此債券按每年二點七厘（二零一二年：一點六厘至二點九厘）之有效收益率計息，每季度或半年派息。

Note:

The Group held investments in unlisted bonds with maturity in November 2013 and December 2013. The effective yield of the bonds was 2.7% (2012: 1.6% to 2.9%) per annum, payable quarterly or semi-annually. All unlisted bonds were redeemed upon maturity.

16 現金及銀行存款

16 CASH AND DEPOSITS WITH BANKS

		集團 Group	
以港幣百萬元計算	in HK\$ Million	2013	2012
定期存款	Time deposits	31,622	33,417
銀行存款	Cash at banks	2,699	2,608
綜合財務狀況表的現金及銀行存款	Cash and deposits with banks in the consolidated statement of financial position	34,321	36,025
減：於三個月後到期的銀行存款	Less: Bank deposits with maturity greater than three months	(560)	(8,036)
綜合現金流量表的現金及現金等價物	Cash and cash equivalents in the consolidated cash flow statement	33,761	27,989

於結算日，本集團之現金及銀行存款按平均利率每年二點三厘（二零一二年：二厘）計息，其貨幣種類分佈如下：

At the end of the reporting period, the Group's cash and deposits with banks were interest-bearing at an average rate of 2.3% (2012: 2.0%) per annum with currencies denominated in:

		集團 Group	
以港幣百萬元計算	in HK\$ Million	2013	2012
港幣等值：	Hong Kong Dollars equivalent of:		
人民幣	Renminbi	31,815	32,840
港幣	Hong Kong Dollars	2,193	2,142
美元	United States Dollars	313	1,043
		34,321	36,025

本集團持有人民幣銀行存款以應付其於中國內地的發展項目持續的付款責任。

The Group holds Renminbi bank deposits to meet its ongoing payment obligations in relation to its development projects in mainland China.

財務報表附註

Notes to the Financial Statements

16 現金及銀行存款 (續)

現金及銀行存款扣除銀行貸款及其他借貸後，本集團於結算日之債項淨額（二零一二年：淨現金）如下：

		集團 Group	
以港幣百萬元計算	in HK\$ Million	2013	2012
銀行貸款及其他借貸 (附註19)	Bank loans and other borrowings (Note 19)	34,979	29,736
減：現金及存款	Less: Cash and deposits	(34,321)	(36,025)
淨債項/(現金)	Net Debt/(Cash)	658	(6,289)

16 CASH AND DEPOSITS WITH BANKS (Continued)

After deducting cash and deposits from bank loans and other borrowings, the net debt (2012: net cash) position of the Group at the end of the reporting period was as follows:

17 應收賬款及其他應收款

(a) 已計入應收賬款及其他應收款之應收賬款（以到期日為基礎）賬齡分析如下：

		集團 Group	
以港幣百萬元計算	in HK\$ Million	2013	2012
現期及一個月內	Current and within 1 month	1,830	46
一至三個月	1 – 3 months	12	3
三個月以上	Over 3 months	9	4
		1,851	53

17 TRADE AND OTHER RECEIVABLES

(a) Included in trade and other receivables are trade receivables (based on the due date) with the following terms:

呆壞賬債務餘額並不重大。本集團之信貸政策詳情載列於附註30(c)。

The balance of bad and doubtful debts is insignificant. The details on the Group's credit policy are set out in note 30(c).

(b) 本集團之其他應收款包括三億一千八百萬元（二零一二年：三億零八百萬元）於中國內地購買土地之押金及二億一千二百萬元（二零一二年：四億四千四百萬元）之可收回合營企業款項。此款項為無抵押，免息及無固定還款期。

(b) Included in other receivables of the Group are deposit of land acquisition in mainland China of \$318 million (2012: \$308 million) and amount recoverable from a joint venture of \$212 million (2012: \$444 million) which is unsecured, interest-free and has no fixed terms of repayment.

18 待售物業

		集團 Group	
以港幣百萬元計算	in HK\$ Million	2013	2012
位於香港之待售發展中物業 — 長期地契	Properties under development for sale located in Hong Kong – long leases	1,662	1,296
位於香港之待售已建成物業 — 中期地契	Completed properties for sale located in Hong Kong – medium term leases	4,033	4,813
		5,695	6,109

18 PROPERTIES FOR SALE

19 銀行貸款及其他借貸

於結算日，無抵押銀行貸款及其他借貸之還款期如下：

19 BANK LOANS AND OTHER BORROWINGS

At the end of the reporting period, bank loans and other borrowings were unsecured and repayable as follows:

以港幣百萬元計算	in HK\$ Million	集團	
		2013	2012
銀行貸款 (附註(a))	Bank loans (Note (a))		
一年內或即期	Within 1 year or on demand	1,657	1,113
一年後但二年內	After 1 year but within 2 years	10,983	1,378
兩年後但五年內	After 2 years but within 5 years	10,786	18,955
五年以上	Over 5 years	4,519	2,724
		27,945	24,170
其他貸款 (附註(b))	Other borrowings (Note (b))		
兩年後但五年內	After 2 years but within 5 years	375	–
五年以上	Over 5 years	6,915	5,799
		7,290	5,799
		35,235	29,969
減：未攤銷之財務費用	Less: unamortized front end fees	(256)	(233)
銀行貸款及其他借貸總額	Total bank loans and other borrowings	34,979	29,736
列入流動負債下 一年內到期的款項	Amount due within 1 year included under current liabilities	(1,657)	(1,113)
		33,322	28,623

附註：

(a) 年內，所有銀行貸款均按零點八厘至七點九厘（二零一二年：零點六厘至八點五厘）年利率計息。

本集團之若干借貸受到財務契約限制，該等財務契約要求本集團於任何時間之綜合有形資產淨值不得低於及借貸佔綜合有形資產淨值之比率不得高於規定水平。年內，本集團已完全遵守該等契約的要求。

於二零一三年十二月三十一日，本集團擁有七十九億八千一百萬元（二零一二年：五十一億二千七百萬元）未動用的銀行承諾信貸。

(b) 本公司之一間全資擁有的附屬公司設立一個價值三十億美元（二零一二年：三十億美元）之中期票據計劃（「計劃」）。於結算日，本集團在此計劃下發行票據，票據年利率為二點九五厘至四點七五厘（二零一二年：三點五五厘至四點七五厘）。

Notes:

(a) All bank loans are interest-bearing at rates ranging from 0.8% to 7.9% (2012: 0.6% to 8.5%) per annum during the year.

Certain of the Group's borrowings are attached with financial covenants which require that at any time, the Group's consolidated tangible net worth is not less than and the ratio of borrowings to consolidated tangible net worth is not more than certain required levels. During the year, all these covenants have been complied with by the Group.

At December 31, 2013, the Group had \$7,981 million (2012: \$5,127 million) committed undrawn banking facilities.

(b) A wholly-owned subsidiary of the Company has a US\$3 billion (2012: US\$3 billion) Medium Term Note Program (the "Program"). At the end of the reporting period, the bonds have been issued with coupon rates ranged from 2.95% to 4.75% (2012: 3.55% to 4.75%) per annum under the Program.

財務報表附註

Notes to the Financial Statements

20 應付賬款及其他應付款

20 TRADE AND OTHER PAYABLES

以港幣百萬元計算	in HK\$ Million	集團 Group	
		2013	2012
應付款及應計費用(附註(a))	Creditors and accrued expenses (Note (a))	4,219	3,242
已收按金(附註(b))	Deposits received (Note (b))	1,758	1,555
應付同系附屬公司款項(附註(c))	Amounts due to fellow subsidiaries (Note (c))	-	14
		5,977	4,811

附註：

- (a) 應付款及應計費用包括預期於一年內不會償付之保留款項五億零八百萬元(二零一二年：三億三千五百萬元)。
- (b) 已收按金十億八千七百萬元(二零一二年：九億二千萬元)預期於一年內不會償付。
- (c) 應付同系附屬公司款項均為無抵押、免息及無固定償還期。

Notes:

- (a) Creditors and accrued expenses include retention money payable of \$508 million (2012: \$335 million) which is not expected to be settled within one year.
- (b) Deposits received of \$1,087 million (2012: \$920 million) are not expected to be settled within one year.
- (c) The amounts due to fellow subsidiaries are unsecured, interest-free and have no fixed terms of repayment.

已計入應付賬款及其他應付款之應付賬款其賬齡分析如下：

Included in trade and other payables are trade creditors with the following aging analysis:

以港幣百萬元計算	in HK\$ Million	集團 Group	
		2013	2012
一個月內到期	Due within 1 month	2,633	2,446
三個月後到期	Due after 3 months	548	367
		3,181	2,813

21 於綜合財務狀況表上之稅項

21 TAXATION IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(a) 本年稅項

(a) Current taxation

以港幣百萬元計算	in HK\$ Million	集團 Group	
		2013	2012
香港利得稅撥備	Provision for Hong Kong Profits Tax	365	202
中國所得稅撥備	Provision for China Income Tax	239	186
以往年度之應付香港利得稅	Hong Kong Profits Tax payable relating to prior years	29	4
		633	392

21 於綜合財務狀況表上之稅項 (續)

21 TAXATION IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

(b) 遞延稅項

(b) Deferred taxation

以港幣百萬元計算	in HK\$ Million	集團	
		2013	2012
遞延稅項負債	Deferred tax liabilities	9,524	8,947
遞延稅項資產	Deferred tax assets	(7)	(12)
遞延稅項負債淨額	Net deferred tax liabilities	9,517	8,935

於綜合財務狀況表上確認之遞延稅項負債/(資產)的組成及年內之變動如下：

The components of deferred tax liabilities/(assets) recognized in the consolidated statement of financial position and the movements during the year are as follows:

以港幣百萬元計算	in HK\$ Million	折舊免稅額 多於相關折舊 Depreciation allowances in excess of related depreciation	物業重估 Revaluation of properties	因稅務虧 損產生之 將來得益 Future benefit of tax losses	其他 Others	總數 Total
遞延稅項產生於：	Deferred tax arising from:					
於二零一二年一月一日	At January 1, 2012	1,106	7,461	(35)	129	8,661
於匯兌儲備內扣除	Charged to exchange reserve	–	(2)	–	–	(2)
於損益內扣除/(撥入) (附註8(a))	Charged/(Credited) to profit or loss (Note 8(a))	41	205	33	(3)	276
於二零一二年十二月 三十一日及二零一三年 一月一日	At December 31, 2012 and January 1, 2013	1,147	7,664	(2)	126	8,935
於匯兌儲備內撥入	Credited to exchange reserve	27	240	–	–	267
於損益內扣除 (附註8(a))	Charged to profit or loss (Note 8(a))	71	219	2	23	315
於二零一三年 十二月三十一日	At December 31, 2013	1,245	8,123	–	149	9,517

「其他」主要包括就外商投資企業在中國內地之未分配利潤確認之相關遞延稅項負債。

Included in “Others” is mainly deferred tax liabilities recognized in respect of undistributed profits of foreign investment enterprises in mainland China.

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Notes to the Financial Statements

21 於綜合財務狀況表上之稅項 (續)

(c) 未確認之遞延稅項資產

本集團尚未就若干附屬公司營運期間出現的十八億零一百萬元(二零一二年:十三億五千七百萬元)稅務虧損所產生的遞延稅項資產作出確認,因為於二零一三年十二月三十一日,可用作抵銷有關資產的日後應課稅溢利仍不存在。此等香港業務的稅務虧損於現時稅務法規上並未逾時,而中國內地業務的稅務虧損則於相關會計年結日五年後逾時。

22 股本

21 TAXATION IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

(c) Deferred tax assets not recognized

The Group has not recognized deferred tax assets in respect of tax losses of \$1,801 million (2012: \$1,357 million) sustained in the operations of certain subsidiaries as the availability of future taxable profits against which the assets can be utilized is not probable at December 31, 2013. The tax losses arising from Hong Kong operations do not expire under current tax legislation. The tax losses arising from the operations in mainland China expire five years after the relevant accounting year end date.

22 SHARE CAPITAL

		2013		2012	
		股份數目 Number of shares (百萬股) (million)	股本金額 Amount of share capital (百萬元) (\$million)	股份數目 Number of shares (百萬股) (million)	股本金額 Amount of share capital (百萬元) (\$million)
法定	Authorized				
每股面值一元	Shares of \$1 each	6,000	6,000	6,000	6,000
已發行及繳足	Issued and fully paid				
於一月一日	At January 1	4,477	4,477	4,473	4,473
根據股份期權計劃 發行之股份	Shares issued under share option scheme	2	2	4	4
於十二月三十一日	At December 31	4,479	4,479	4,477	4,477

23 儲備

(a) 集團

23 RESERVES

(a) The Group

		其他儲備 Other reserves							
		股份 溢價 Share premium	資本 贖回儲備 Capital redemption reserve	匯兌儲備 Exchange reserve	僱員股份 補償儲備 Employee share-based compensation reserve	總額 Total	保留 溢利 Retained profits	總儲備 Total reserves	
以港幣百萬元計算	in HK\$ Million								
於二零一二年 一月一日	At January 1, 2012	32,909	2,066	5,615	477	41,067	65,922	106,989	
本年度溢利	Profit for the year	-	-	-	-	-	8,395	8,395	
換算海外附屬公司 賬項產生之 匯兌差異	Exchange difference arising from translation of overseas subsidiaries	-	-	150	-	150	-	150	
本年度全面收益 總額	Total comprehensive income for the year	-	-	150	-	150	8,395	8,545	
上年度末期股息	Final dividends in respect of previous financial year	-	-	-	-	-	(1,611)	(1,611)	
本年度中期股息	Interim dividends in respect of current financial year	-	-	-	-	-	(761)	(761)	
發行股份	Issue of shares	56	-	-	-	56	-	56	
僱員股權費用	Employee share-based payments	14	-	-	(6)	8	225	233	
於二零一二年 十二月三十一日 及二零一三年 一月一日	At December 31, 2012 and January 1, 2013	32,979	2,066	5,765	471	41,281	72,170	113,451	
本年度溢利	Profit for the year	-	-	-	-	-	7,212	7,212	
換算海外附屬公司 賬項產生之 匯兌差異	Exchange difference arising from translation of overseas subsidiaries	-	-	2,500	-	2,500	-	2,500	
本年度全面收益 總額	Total comprehensive income for the year	-	-	2,500	-	2,500	7,212	9,712	
上年度末期股息	Final dividends in respect of previous financial year	-	-	-	-	-	(2,553)	(2,553)	
本年度中期股息	Interim dividends in respect of current financial year	-	-	-	-	-	(761)	(761)	
發行股份	Issue of shares	42	-	-	-	42	-	42	
僱員股權費用	Employee share-based payments	10	-	-	111	121	43	164	
於二零一三年 十二月三十一日	At December 31, 2013	33,031	2,066	8,265	582	43,944	76,111	120,055	

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23 儲備 (續)

(b) 公司

23 RESERVES (Continued)

(b) The Company

以港幣百萬元計算	in HK\$ Million	其他儲備 Other reserves			總額 Total	保留 溢利 Retained profits	總儲備 Total reserves
		股份 溢價 Share premium	資本 贖回儲備 Capital redemption reserve	僱員股份 補償儲備 Employee share-based compensation reserve			
於二零一二年一月一日	At January 1, 2012	32,909	2,066	477	35,452	2,866	38,318
本期溢利及全面收益 總額	Profit and total comprehensive income for the year	–	–	–	–	2,483	2,483
上年度末期股息	Final dividends in respect of previous financial year	–	–	–	–	(1,611)	(1,611)
本年度中期股息	Interim dividends in respect of current financial year	–	–	–	–	(761)	(761)
發行股份	Issue of shares	56	–	–	56	–	56
僱員股權費用	Employee share-based payments	14	–	(6)	8	225	233
於二零一二年 十二月三十一日及 二零一三年一月一日	At December 31, 2012 and January 1, 2013	32,979	2,066	471	35,516	3,202	38,718
本年度溢利及全面收益 總額	Profit and total comprehensive income for the year	–	–	–	–	3,380	3,380
上年度末期股息	Final dividends in respect of previous financial year	–	–	–	–	(2,553)	(2,553)
本年度中期股息	Interim dividends in respect of current financial year	–	–	–	–	(761)	(761)
發行股份	Issue of shares	42	–	–	42	–	42
僱員股權費用	Employee share-based payments	10	–	111	121	43	164
於二零一三年 十二月三十一日	At December 31, 2013	33,031	2,066	582	35,679	3,311	38,990

本集團於二零一三年十二月三十一日的保留溢利包括四億零二百萬元（二零一二年：二億七千六百萬元）的中國內地附屬公司之盈餘公積。

The retained profits for the Group at December 31, 2013 included \$402 million (2012: \$276 million) in respect of statutory reserves of the subsidiaries in mainland China.

23 儲備 (續)

(b) 公司 (續)

股份溢價賬及資本贖回儲備之用途分別受香港《公司條例》第四十八乙條及第四十九辛條監管。匯兌儲備包括換算海外附屬公司財務報表產生之匯兌差額。誠如附註1(v)所述，僱員股份補償儲備包括已授出但尚未被行使之股份期權之公平值。

於二零一三年十二月三十一日，本公司可供分派予股東之儲備金總額為三十三億一千一百萬元(二零一二年：三十二億零二百萬元)。

資本管理

本集團的資本管理政策之首要目標為保障本集團能持續營運，以為股東提供回報及為其他持份者提供利益，同時以合理成本取得融資。

本集團積極及定期檢討及管理其資本結構，以在較高借貸水平可能帶來的較佳股東回報與雄厚資本所帶來的優勢及保障之間取得平衡，並因應本集團之業務組合及經濟環境之變動對資本結構作出調整。

本集團透過檢討槓桿比率(淨債項股權比率及債項股權比率)及現金流量的需求，並考慮到其未來的財務承擔來監察其資本結構。淨債項指銀行貸款及其他借貸扣除現金及銀行存款。股權包括股東權益及非控股權益。

於二零一三年十二月三十一日，本集團之淨債項股權比率及債項股權比率分別為百分之零點五(二零一二年：淨現金水平)及百分之二十六點七(二零一二年：百分之二十四)。本公司或其任何附屬公司並無受到外間實施資本需求之規限。

23 RESERVES (Continued)

(b) The Company (Continued)

The application of the share premium account and the capital redemption reserve are governed by Section 48B and Section 49H of the Hong Kong Companies Ordinance respectively. The exchange reserve comprises the exchange differences arising from the translation of the financial statements of overseas subsidiaries. The employee share-based compensation reserve comprises the fair value of share options granted which are yet to be exercised, as explained in note 1(v).

The aggregate amount of the Company's reserves available for distribution to equity shareholders of the Company at December 31, 2013 was \$3,311 million (2012: \$3,202 million).

Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits to other stakeholders, and to secure access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholders' returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in the light of changes in the Group's business portfolio and economic conditions.

The Group monitors its capital structure by reviewing its leveraging ratio (net debt to equity and debt to equity) and cash flow requirements, taking into account its future financial obligations and commitments. Net debt represents bank loans and other borrowings less cash and deposits with banks. Equity comprises shareholders' equity and non-controlling interests.

Net debt to equity ratio and debt to equity ratio as at December 31, 2013 were 0.5% (2012: net cash position) and 26.7% (2012: 24.0%), respectively. Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

財務報表附註

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24 非控股權益

非控股權益為其他股東於本集團（於十二月三十一日）非全資擁有的附屬公司的股本權益及應佔溢利或虧損。非控股權益之變動詳情載於綜合權益變動表。

24 NON-CONTROLLING INTERESTS

Non-controlling interests represent the equity interests and the share of profit or loss attributable to other shareholders in respect of the subsidiaries not wholly-owned by the Group as at December 31. Details of movement of non-controlling interests are set out in the consolidated statement of changes in equity.

25 來自經營業務之現金

25 CASH GENERATED FROM OPERATIONS

以港幣百萬元計算	in HK\$ Million	2013	2012
除稅前溢利	Profit before taxation	9,204	10,169
調整：	Adjustments for:		
出售投資物業收益	Gain on disposal of investment properties	(8)	(2,148)
銀行利息收入	Bank interest income	(782)	(602)
非上市持至到期日投資利息收入	Interest income from unlisted held-to-maturity investments	(11)	(19)
非上市投資股息收入	Dividend income from unlisted investments	(10)	–
財務費用	Finance costs	398	348
折舊	Depreciation	37	35
出售其他固定資產虧損	Loss on disposal of other fixed assets	2	11
投資物業之公平值之增加	Increase in fair value of investment properties	(2,482)	(2,522)
應佔合營企業溢利	Share of profits of joint ventures	(96)	(105)
僱員股權費用	Employee share-based payments	164	233
待售物業之減少	Decrease in properties for sale	400	19
應收賬款及其他應收款之 (增加)/減少	(Increase)/Decrease in trade and other receivables	(1,608)	221
應付款及應計費用之增加	Increase in creditors and accrued expenses	683	200
已收按金之增加	Increase in deposits received	176	166
應付同系附屬公司款項之減少	Decrease in amounts due to fellow subsidiaries	(14)	–
來自經營業務之現金	Cash generated from operations	6,053	6,006

26 或然負債

於結算日之或然負債如下：

以港幣百萬元計算	in HK\$ Million	公司 Company	
		2013	2012
就附屬公司所獲得之銀行 信貸而提供之擔保	Guarantees given to banks to secure credit facilities drawn by subsidiaries	35,257	29,994

本公司並無就附屬公司之借貸及其他銀行信貸提供之擔保確認任何遞延收入，因該等借貸及銀行信貸之公平值無法可靠地計量及成交價為零（二零一二年：零）。

26 CONTINGENT LIABILITIES

At the end of the reporting period, contingent liabilities were as follows:

The Company has not recognized any deferred income for the guarantees given in respect of borrowings and other bank facilities for subsidiaries as their fair value cannot be reliably measured and their transaction price was \$Nil (2012: \$Nil).

27 承擔

於結算日尚未於財務報表計提之資本承擔如下：

以港幣百萬元計算	in HK\$ Million	集團 Group	
		2013	2012
已簽約	Contracted for	5,250	5,527
已授權但尚未簽約	Authorized but not contracted for	44,021	29,344
		49,271	34,871

上述承擔主要包括就本集團於中國內地多個城市發展之投資物業將產生之土地成本及建築相關成本。

27 COMMITMENTS

At the end of the reporting period, capital commitments not provided for in the financial statements were as follows:

The above commitments include mainly the land costs and construction related costs to be incurred in respect of the Group's development of its investment properties in various cities in mainland China.

28 僱員福利

(a) 退休福利

本集團已為其僱員設立界定供款退休金計劃，該計劃下之資產由一間獨立公司受託人掌管，並由專業基金經理管理，與本集團之資產分開處理。

僱主及僱員均按僱員之基本薪金之若干百分比供款，有關百分比按服務年資而有所不同。當僱員於可全數獲得本集團供款前退出該計劃，其遭沒收之供款乃撥入計劃基金之儲備內。本集團可視乎儲備的水平而指示受託人將股息自基金之儲備撥入基金成員賬戶。本集團可將沒收之供款減少其供款，但年內本集團並無以此方式削減供款。本集團於年內之供款總額為二千一百萬元（二零一二年：二千一百萬元），而撥入儲備金之沒收供款金額總數為九百萬元（二零一二年：一百萬元）。

一項集成信託強制性公積金計劃（「強積金計劃」）已成立，並交由獨立服務機構營辦。僱主及僱員分別按僱員之每月有關收入（上限為二萬五千元）之百分之五作出強制性供款。本集團之供款會全數及即時歸屬於僱員之賬戶並列為僱員在計劃內之累算權益。本集團於年內作出之強積金供款總額為四百萬元（二零一二年：四百萬元）。

由於本集團之退休金計劃乃一項獲豁免於強積金條例的職業退休計劃（「職業退休計劃」），職業退休計劃與強積金計劃之成員資格相同，而新僱員可一次性選擇參與職業退休計劃或強積金計劃。

本公司在中國內地經營業務之附屬公司，其僱員乃中國當地市政府所營辦之退休福利計劃（「中國退休福利計劃」）之成員。該等中國內地附屬公司所需承擔之唯一責任，乃按僱員之支薪金額之某個百分比，向中國退休福利計劃作出供款以作為退休福利資金，而中國當地市政府則承擔該等中國內地附屬公司之所有現職及將來退休之僱員之退休福利責任。該等中國內地附屬公司於本年內作出之供款總額為三千萬元（二零一二年：二千四百萬元）。

28 EMPLOYEE BENEFITS

(a) Retirement benefits

The Group operates a defined contribution provident fund scheme for its employees. The assets of the scheme are held separately from those of the Group by an independent corporate trustee and managed by professional fund managers.

Contributions are made by both the employer and the employees at a certain percentage of employees' basic salaries, the percentage varying with their length of service. When an employee leaves the scheme prior to his or her interest in the Group's contributions being fully vested, forfeited contributions are credited to reserves of the fund. Depending on the level of reserves, the Group may direct the trustee to credit dividends to members' accounts out of the reserves of the fund. The Group's contributions may be reduced by the forfeited contributions, but there was no such reduction of the Group's contributions during the year. Total contributions made by the Group for the year amounted to \$21 million (2012: \$21 million) and forfeited sums credited to reserves amounted to \$9 million (2012: \$1 million).

A master trust Mandatory Provident Fund Scheme (the "MPF Scheme") is operated by an independent service provider. Mandatory contributions are made by both the employer and the employees at 5% of the employees' monthly relevant income, up to a limit of \$25,000. The Group's contributions will be fully and immediately vested in the employees' accounts as their accrued benefits in the scheme. Total MPF contributions made by the Group for the year amounted to \$4 million (2012: \$4 million).

As the Group's provident fund scheme is an MPF Exempted Occupational Retirement Scheme (the "ORSO Scheme"), eligibility for membership of the ORSO and MPF schemes is identical. New employees are offered a one-off option to join either the ORSO or the MPF scheme.

Staff in the Company's subsidiaries operating in mainland China are members of a retirement benefits scheme (the "Mainland RB Scheme") operated by the local municipal government in mainland China. The only obligation of the subsidiaries in mainland China is to contribute a certain percentage of their payroll to Mainland RB Scheme to fund the retirement benefits. The local municipal government in mainland China undertakes to assume the retirement benefits obligations of all existing and future retired employees of subsidiaries in mainland China. Total contributions made by subsidiaries in mainland China for the year amounted to \$30 million (2012: \$24 million).

28 僱員福利 (續)

(b) 股份補償福利

本公司於二零零二年十一月二十二日所採納之股份期權計劃(「二零零二年股份期權計劃」)已於二零一二年四月十八日採納新股份期權計劃(「二零一二年股份期權計劃」，連同二零零二年股份期權計劃統稱為「計劃」)後予以終止。並無任何股份期權可根據二零零二年股份期權計劃進一步授出，惟二零零二年股份期權計劃之條文於所有其他方面將繼續具十足效力及作用，且終止前授出及於終止日期尚未獲行使之所有股份期權將會繼續有效。二零一二年股份期權計劃自其採納日期起計十年內有效直至其十週年屆滿。

計劃旨在令本公司可向經揀選參與者授出股份期權，激勵或獎勵彼等為本集團所作出的貢獻。透過向其提供機會購買本公司之股權方式，以吸引具備專業技術及經驗豐富之人才，鼓勵彼等留任本集團，並激勵彼等為本集團之未來發展及擴充作出努力。

根據計劃，本公司董事局(「董事局」)獲授權向經揀選參與者(包括本集團內任何成員公司之僱員及董事)授出股份期權，惟須遵照相關條款及條件，如董事局或會逐個或整體指定表現目標。股份期權行使價由董事局於授出時釐定，並必須為股份面值、於授出日期股份之收市價及於緊接授出前五個營業日之股份平均收市價三者中之最高價。可接納期權之期間及其應付之款項、歸屬期、行使期及每份期權可認購股份之數目均由董事局於授出時予以釐定。

於本報告日期，根據二零一二年股份期權計劃而可予發行之股份總數為二億九千七百二十二萬四千二百五十三股，佔本公司已發行股份百分之六點六四。每名參與者在任何十二個月內獲授的期權(包括已行使或未行使)予以行使時所發行及將發行之股份總數將不超過本公司已發行股份之百分之一。

28 EMPLOYEE BENEFITS (Continued)

(b) Equity compensation benefits

The share option scheme adopted by the Company on November 22, 2002 (the “2002 Share Option Scheme”) was terminated upon the adoption of a new share option scheme on April 18, 2012 (the “2012 Share Option Scheme”, together with the 2002 Share Option Scheme are referred to as the “Schemes”). No further options shall be offered under the 2002 Share Option Scheme, but in all other respects the provisions of the 2002 Share Option Scheme shall remain in full force and effect and all options granted prior to such termination and not exercised at the date of termination shall remain valid. The 2012 Share Option Scheme remains in force for a period of 10 years commencing on its adoption date and expiring on the tenth anniversary thereof.

The purposes of the Schemes are to enable the Company to grant options to selected participants as incentives or rewards for their contributions to the Group, to attract skilled and experienced personnel, to incentivize them to remain with the Group and to motivate them to strive for the future development and expansion of the Group by providing them with the opportunity to acquire equity interests in the Company.

Under the Schemes, the board of directors of the Company (the “Board”) is authorized to grant options to selected participants, including employees and directors of any company in the Group, subject to the terms and conditions such as performance targets as the Board may specify on a case-by-case basis or generally. The exercise price of the options is determined by the Board at the time of grant, and shall be the highest of the nominal value of the shares, the closing price of the shares at the date of grant and the average closing price of the shares for the five business days immediately preceding the date of grant. The period open for acceptance of the option and amount payable thereon, the vesting period, the exercisable period and the number of shares subject to each option are determined by the Board at the time of grant.

As at the date of this report, the total number of shares available for issue under the 2012 Share Option Scheme is 297,224,253 shares, representing 6.64% of the issued share capital of the Company. The total number of shares issued and to be issued upon exercise of options (including both exercised and outstanding) granted to each participant shall not exceed in any 12-month period 1% of shares of the Company in issue.

財務報表附註

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28 僱員福利 (續)

(b) 股份補償福利 (續)

年內股份期權之變動如下：

(i) 二零零二年股份期權計劃

28 EMPLOYEE BENEFITS (Continued)

(b) Equity compensation benefits (Continued)

The movements of share options during the year are as follows:

(i) 2002 Share Option Scheme

授出日期 Date granted	股份期權數目 Number of share options			於二零一三年 十二月三十一日 尚未被行使 Outstanding on December 31, 2013	股份期權之行使期 Period during which options are exercisable	行使價 (港幣) Exercised price (HK\$)
	於二零一三年 一月一日 尚未被行使 Outstanding on January 1, 2013	已行使 Exercised	已沒收/ 已失效 Forfeited/ Lapsed			
二零零四年五月二十日 May 20, 2004	5,430,625	(140,625)	–	5,290,000	二零零五年五月二十日至 二零一四年五月十九日 May 20, 2005 to May 19, 2014	9.20
二零零六年十一月十四日至 二零零七年三月十九日 November 14, 2006 to March 19, 2007	4,770,000	(225,000)	–	4,545,000	二零零七年十一月十四日至 二零一七年三月十八日 November 14, 2007 to March 18, 2017	16.75 – 22.55
二零零七年八月二十一日至 二零零八年十二月三十一日 August 21, 2007 to December 31, 2008	44,296,000	(1,964,000)	(708,000)	41,624,000	二零零八年八月二十一日至 二零一八年十二月三十日 August 21, 2008 to December 30, 2018	17.36 – 27.90
二零一零年二月八日至 二零一零年六月一日 February 8, 2010 to June 1, 2010	13,780,000	–	–	13,780,000	二零一二年二月八日至 二零二零年五月三十一日 February 8, 2012 to May 31, 2020	26.46 – 27.27
二零一零年七月二十九日至 二零一一年六月十三日 July 29, 2010 to June 13, 2011	38,390,000	–	(2,538,000)	35,852,000	二零一二年七月二十九日至 二零二一年六月十二日 July 29, 2012 to June 12, 2021	30.79 – 36.90
二零一一年十二月七日 December 7, 2011	1,350,000	–	(1,350,000)	–	二零一三年十二月七日至 二零二一年十二月六日 December 7, 2013 to December 6, 2021	24.10
總數 Total	108,016,625	(2,329,625)	(4,596,000)	101,091,000		

上述所有股份期權可於授出日期起計一或兩至五年後歸屬，並可於授出日期至十週年屆滿期間行使，此後股份期權將告失效。年內並無股份期權被註銷。

All the above options may vest after one/two to five years of the grant date and are exercisable up to the tenth anniversary of the date of grant, after which they will lapse. No options were cancelled during the year.

28 僱員福利 (續)

(b) 股份補償福利 (續)

(i) 二零零二年股份期權計劃 (續)

尚未被行使之股份期權數目及其有關加權平均行使價之變動如下：

		2013		2012	
		加權平均行使價 (港幣) Weighted average exercise price (HK\$)	股份 期權數目 Number of options	加權平均行使價 (港幣) Weighted average exercise price (HK\$)	股份 期權數目 Number of options
於一月一日尚未被行使	Outstanding at January 1	24.89	108,016,625	24.34	147,823,625
已行使	Exercised	19.38	(2,329,625)	12.92	(3,796,000)
已註銷	Cancelled	–	–	23.16	(32,630,000)
已沒收/已失效	Forfeited/Lapsed	27.20	(4,596,000)	27.61	(3,381,000)
於十二月三十一日 尚未被行使	Outstanding at December 31	24.91	101,091,000	24.89	108,016,625
於十二月三十一日 可予行使	Exercisable at December 31	21.41	61,758,200	21.06	40,141,525

年內並無授出股份期權。

年內，本公司董事於其出任董事期間並沒有行使股份期權。於年內僱員行使之股份期權在緊接期權行使日期之前的加權平均收市價為二十九元。

於年內行使之股份期權行使當日之股份加權平均股價為二十九元五仙。

於結算日尚未被行使之股份期權之加權平均剩餘合約期為五點三年（二零一二年：六點四年）。

28 EMPLOYEE BENEFITS (Continued)

(b) Equity compensation benefits (Continued)

(i) 2002 Share Option Scheme (Continued)

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

No share options were granted during the year.

No share options were exercised by the directors in the period of their employment as directors of the Company during the year. The weighted average closing price of the shares immediately before the dates of exercise by the employees during the year was \$29.00.

The weighted average share price at the dates of exercise for share options during the year was \$29.05.

The weighted average remaining contractual life of options outstanding at the end of the reporting period was 5.3 years (2012: 6.4 years).

財務報表附註

Notes to the Financial Statements

28 僱員福利 (續)

(b) 股份補償福利 (續)

(ii) 二零一二年股份期權計劃

28 EMPLOYEE BENEFITS (Continued)

(b) Equity compensation benefits (Continued)

(ii) 2012 Share Option Scheme

授出日期 Date granted	股份期權數目 Number of share options				於二零一三年 十二月三十一日 尚未被行使 Outstanding on December 31, 2013	股份期權之行使期 Period during which options are exercisable	行使價 (港幣) Exercised price (HK\$)
	於二零一三年 一月一日 尚未被行使 Outstanding on January 1, 2013	已授出 Granted	已行使 Exercised	已沒收/ 已失效 Forfeited/ Lapsed			
二零一三年 六月四日 June 4, 2013	-	40,000,000	-	(1,380,000)	38,620,000	二零一五年六月四日至 二零二三年六月三日 June 4, 2015 to June 3, 2023	28.20
總數 Total	-	40,000,000	-	(1,380,000)	38,620,000		

上述所有股份期權可於授出日期起計兩至五年後歸屬，並可於授出日期十週年屆滿前行使，此後股份期權將告失效。年內並無股份期權被註銷。

年內股份在緊接期權授出日期之前的收市價為二十七元七角五仙。

結算日尚未被行使之股份期權之加權平均剩餘合約期為九點四年。

年內授出之股份期權於授出日期採用「柏力克-舒爾斯」定價模式，經考慮授出期權之條款及條件而估計之每份股份期權之加權平均價值為八元一仙。所採用之加權平均假設如下：

All the above options may vest after two to five years of the grant date and are exercisable up to the tenth anniversary of the date of grant, after which they will lapse. No options were cancelled during the year.

The closing price of shares immediately before the date of grant during the year was \$27.75.

The weighted average remaining contractual life of options outstanding at the end of the reporting period was 9.4 years

The weighted average value per share option granted during the year estimated at the date of grant using a Black-Scholes pricing model taking into account the terms and conditions upon which the options were granted was \$8.01. The weighted average assumptions used are as follows:

授出日期之股價	Share price at grant date	\$27.50
行使價	Exercise price	\$28.20
無風險利率	Risk-free interest rate	0.49%
預期使用年期(年)	Expected life (in years)	6
波幅	Volatility	0.41
預期每股股息	Expected dividend per share	\$0.74

28 僱員福利 (續)

(b) 股份補償福利 (續)

(ii) 二零一二年股份期權計劃 (續)

按預期股價回報之標準差衡量之波幅，乃按緊接授出日期前一年內每日股價之統計分析為準。預期每股股息根據過往股息而釐定。更改輸入項目假設可對公平值估計造成重大影響。

(iii) 就授予董事之股份期權，依據附註1(v)(2)所載之本集團會計政策估計，截至二零一三年十二月三十一日止年度確認之相關支出如下：

- (1) 陳啟宗先生：二千五百一十萬元
(二零一二年：二千八百萬元)；
- (2) 陳南祿先生：三千四百五十萬元
(二零一二年：三千六百二十萬元)；
- (3) 何孝昌先生：一千五百一十萬元
(二零一二年：一千三百八十萬元)；
及
- (4) 袁偉良先生：九百八十萬元
(二零一二年：一千六百八十萬元)。

29 關連人士交易

除該等已於財務報表其他部份披露之交易及結餘外，年內，本集團於其日常業務過程中訂立以下關連人士交易：

- (a) 本公司之一同系附屬公司就發展上海之物業「恒隆廣場」，向本公司之附屬公司注入資金作為資本投資。於二零一三年十二月三十一日前已全額償還 (二零一二年：一千四百萬元)。
- (b) 董事及主要管理層酬金已於附註7及28(b)披露。

28 EMPLOYEE BENEFITS (Continued)

(b) Equity compensation benefits (Continued)

(ii) 2012 Share Option Scheme (Continued)

The volatility measured at the standard deviation of expected share price returns is based on statistical analysis of daily share prices over the one year immediately preceding the grant date. Expected dividend per share is based on historical dividend. Changes in the input assumptions could materially affect the fair value estimate.

(iii) In respect of share options granted to the directors, the related charge recognized for the year ended December 31, 2013, estimated in accordance with the Group's accounting policy in note 1(v)(2) was as follows:

- (1) Mr. Ronnie C. Chan, \$25.1 million (2012: \$28.0 million);
- (2) Mr. Philip N.L. Chen, \$34.5 million (2012: \$36.2 million);
- (3) Mr. H.C. Ho, \$15.1 million (2012: \$13.8 million); and
- (4) Mr. Nelson W.L. Yuen, \$9.8 million (2012: \$16.8 million).

29 RELATED PARTY TRANSACTIONS

Except for the transactions and balances already disclosed elsewhere in the financial statements, the Group entered into the following related party transactions during the year in its ordinary course of business:

- (a) A fellow subsidiary of the Company contributed funds as capital investment to a subsidiary of the Company for the development of Plaza 66, a property in Shanghai. The amount outstanding was fully repaid during the year (2012: \$14 million).
- (b) Emoluments to directors and key management has been disclosed in notes 7 and 28(b).

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Notes to the Financial Statements

30 財務風險管理目標及政策

利率、流動資金、信貸及貨幣風險來自本集團之正常業務。本集團有以下經管理層批准之政策及方法以管理該等風險。

(a) 利率風險

本集團之利率風險來自銀行存款及浮息借貸。本集團密切監察利率變動，以及於有利定價機會來臨時（如適用）以新銀行融資替換原有借貸。此外，本集團已設立一個提供固定利率設施之計劃以管理利率風險。

計息財務資產及負債之利率於附註15、16及19予以披露。

根據期末進行關於銀行存款及借貸之模擬分析，如所有其他變數維持不變，而市場利率較年結日適用之利率增加一百個基點，則本集團之除稅後溢利及總權益將大約增加八千九百萬元（二零一二年：一億四千二百萬元）。

此分析乃根據假設情況而進行，因為實際上，市場利率很少單獨改變，故此不應被視作未來溢利或虧損之預測。這分析假定以下各項：

- 市場利率變化會影響浮息金融工具及銀行借貸之利息收入及支出；及
- 所有其他財務資產及負債維持不變。

30 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Exposure to interest rate, liquidity, credit and currency risks arises in the normal course of the Group's business. The Group has policies and practices approved by management as described below in managing these risks.

(a) Interest rate risk

The Group's interest rate risk arises primarily from deposits with banks and borrowings issued at floating rates. Interest rate trend and movements are closely monitored and, if appropriate, existing borrowings will be replaced with new bank facilities when favorable pricing opportunities arise. In addition, the Group established the Program which provides fixed interest rate facilities to the Group and assists the Group to manage its interest rate risk.

The interest rates of interest-bearing financial assets and liabilities are disclosed in notes 15, 16 and 19.

Based on the simulations performed at year end in relation to the Group's bank deposits and borrowings, it was estimated that the impact of a 100 basis-point increase in market interest rates from the rates applicable at the year end date, with all other variables held constant, would increase the Group's profit after taxation and total equity by approximately \$89 million (2012: \$142 million).

This analysis is based on a hypothetical situation, as in practice market interest rates rarely change in isolation, and should not be considered a projection of likely future profits or losses. The analysis assumes the following:

- changes in market interest rates affect the interest income and interest expenses of floating rate financial instruments and bank borrowings; and
- all other financial assets and liabilities are held constant.

30 財務風險管理目標及政策 (續)

(b) 流動資金風險

本集團在集團層面集中管理本公司及其附屬公司之盈餘現金及流動資金風險，旨在確保其維持充裕的現金及銀行信貸額度，以應付其全部資金需求。本集團透過不同來源的信貸額度維持資金高度流動性，以掌握未能預見之機會及事項。

30 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(b) Liquidity risk

The Group manages its surplus cash centrally and the liquidity risk of the Company and its subsidiaries at the corporate level. The objective is to ensure that an adequate amount of cash and committed bank facilities are available to meet all funding requirements. Significant flexibility is maintained through diverse sources of committed credit lines to respond to unforeseeable opportunities and events.

		集團 Group					
		合約未折現現金流量 Contractual undiscounted cash flow					
以港幣百萬元計算 in HK\$ Million	賬面值 Carrying amount	總計 Total	一年內 Within 1 year	一至兩年內 Between 1 and 2 years	二至五年內 Between 2 and 5 years	五年以上 Over 5 years	
銀行貸款及其他借貸 Bank loans and other borrowings	34,979	40,854	2,752	11,907	13,313	12,882	
應付賬款及其他應付款 Trade and other payables	5,977	5,977	4,382	993	533	69	
於二零一三年十二月三十一日 At December 31, 2013	40,956	46,831	7,134	12,900	13,846	12,951	

		合約未折現現金流量 Contractual undiscounted cash flow					
以港幣百萬元計算 in HK\$ Million	賬面值 Carrying amount	總計 Total	一年內 Within 1 year	一至兩年內 Between 1 and 2 years	二至五年內 Between 2 and 5 years	五年以上 Over 5 years	
銀行貸款及其他借貸 Bank loans and other borrowings	29,736	35,401	2,020	2,218	20,664	10,499	
應付賬款及其他應付款 Trade and other payables	4,811	4,812	3,557	736	430	89	
於二零一二年十二月三十一日 At December 31, 2012	34,547	40,213	5,577	2,954	21,094	10,588	

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30 財務風險管理目標及政策 (續)

(c) 信貸風險

本集團之信貸風險主要來自應收賬款及存於信譽良好的銀行及金融機構之存款及債券。

本集團推行明確之信貸政策，其中涵蓋對租戶之嚴謹信貸評估及對需支付租賃按金的規定。來自物業銷售的應收樓價乃按買賣協議的條款釐定。租客除支付租賃按金外亦需預繳有關租賃物業的月租。除本集團所發展之物業銷售外，本集團並無就此等數額持有任何抵押品。本集團定期檢閱其應收款，並嚴格監控，藉以將任何相關之信貸風險減至最低。

本集團並無進行任何衍生工具交易。盈餘現金乃根據信貸評級及其他因素而預設之限額存放於聲譽良好之銀行及金融機構，以將集中信貸風險減至最低。

除本公司所作出之財務擔保外（如附註26所述），本集團並無提供其他擔保而或會導致本集團或本公司承擔任何重大信貸風險。

本集團並無重大集中信貸風險。

對信貸風險之承擔上限為綜合財務狀況表內各財務資產之賬面值。

30 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(c) Credit risk

The Group's credit risk is primarily attributable to trade receivables and deposits and bonds held with reputable banks and financial institutions.

It maintains a defined credit policy including stringent credit evaluation on and payment of a rental deposit from tenants. Proceeds from property sales are receivable pursuant to the terms of the sale and purchase agreements. In addition to the payment of rental deposits, tenants are required to pay monthly rents in respect of leased properties in advance. Except for sale of properties developed by the Group, it does not hold any collateral over the receivables. Receivables are regularly reviewed and closely monitored to minimize any associated credit risk.

The Group does not engage in any derivative transactions. Surplus cash is placed with reputable banks and financial institutions in accordance with pre-determined limits based on credit ratings and other factors to minimize concentration risk.

Except for the financial guarantees given by the Company as set out in note 26, the Group does not provide any other guarantee which would expose the Group or the Company to material credit risk.

There are no significant concentrations of credit risk within the Group.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the consolidated statement of financial position.

30 財務風險管理目標及政策 (續)

(d) 貨幣風險

貨幣風險來自確認本集團公司以非功能貨幣列值的資產及負債。本集團有若干美元銀行存款，金額為四千萬美元（二零一二年：一億四千三百萬美元），及價值五億美元（二零一二年：五億美元）十年期票據。鑒於港幣與美元掛鈎，該等的存款所引致之貨幣風險並不重大。

本集團亦透過其中國內地附屬公司在當地從事物業發展及投資，該等附屬公司之淨資產承受外幣風險。本集團持有人民幣銀行存款及債券以應付其於中國內地的發展項目持續的付款責任。於合適時候，本集團會尋求以人民幣借貸對沖在中國內地之投資。

管理層估計，人民幣兌港幣匯率升值/貶值百分之一將不會對本集團之溢利造成重大影響，惟本集團之除稅後溢利及股東應佔權益將相應增加/減少七億七千七百萬元（二零一二年：七億四千四百萬元）。

上述分析乃假設匯率變動於結算日已發生，而所有其他變數（特別是利率）保持不變。

(e) 公平值

於結算日，持至到期日工具、非上市投資、應收賬款及其他應收款、應付賬款及其他應付款、現金及銀行存款、銀行貸款及其他借貸之公平值被視為與彼等之賬面值相若。

30 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(d) Currency risk

Currency risk arises when recognized assets and liabilities are denominated in a currency other than the functional currency of the Group's entities to which they related. The Group maintains certain bank deposits denominated in United States dollars amounting to US\$40 million (2012: US\$143 million) and 10-year bonds amounting to US\$500 million (2012: US\$500 million). Given that Hong Kong dollars are pegged to United States dollars, the resulting currency risk on such deposits is considered insignificant.

The Group also engaged in property development and investments in mainland China through its local subsidiaries whose net assets are exposed to currency risk. In addition, the Group holds Renminbi deposits and bonds to meet its ongoing payment obligations in relation to its development projects in mainland China which is denominated in Renminbi. Where appropriate, the Group seeks to minimize its exposure to currency risk in mainland China through borrowings denominated in Renminbi.

Management estimated that a 1% appreciation/depreciation of Renminbi against Hong Kong dollar would not have a material effect on the Group's profit after taxation and the Group's equity attributable to shareholders would be increased/decreased by \$777 million (2012: \$744 million).

The above analysis has been determined assuming that the change in foreign exchange rates had occurred at the end of the reporting period and that all other variables, in particular interest rates, remain constant.

(e) Fair value

The fair values of held-to-maturity instruments, unlisted investments, trade and other receivables, trade and other payables, cash and deposits with banks, bank loans and other borrowings are considered approximate to their carrying amounts at the end of the reporting period.

財務報表附註

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31 重要會計估計及判斷

估計不確定性之主要原因

附註12(a)及附註28(b)載有與投資物業及發展中投資物業之估值及已授出股份期權公平值有關之假設及風險之資料。估計不確定性之其他主要原因如下：

(a) 待售物業

本集團參照獨立物業估值師提供之現行市場數據及市場調查報告，以估計未來銷售價減除銷售時產生之相關成本而釐定待售物業之可變現淨值。

(b) 資產減值

本集團定期進行減值測試，以確定商譽及其他可使用年期不確定之資產是否有任何減值跡象。其他資產之減值評估於有事件或情況之變動顯示有關資產之賬面值高於其可收回金額時進行。可收回金額以公平值減銷售成本或按使用價值計算法釐定（如適用）。該等計算方法需要使用估計數據。

(c) 所得稅

於日常業務過程中，由於若干交易及釐定最終稅項之計算方法未能確定而需要就所得稅撥備作出判斷。倘該等事項之最終稅項結果與最初記錄之金額不同，有關差額將會影響作出決定年度之所得稅及遞延稅項撥備。

(d) 遞延稅項資產確認

本集團綜合財務狀況表內之遞延稅項資產只會在未來應課稅溢利有可能用作抵銷暫時差異及未用稅項虧損可被使用時才會確認。本集團需作出判斷，或根據對未來財務表現、未來應課稅溢利金額及其變現時限之評估，來確認遞延稅項資產。

31 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

Key sources of estimation uncertainty

Notes 12(a) and 28(b) contain information about the assumptions and their risk relating to valuation of investment properties and investment properties under development, and fair value of share options granted. Other key sources of estimation uncertainty are as follows:

(a) Properties held for sale

The Group determines the net realizable value of unsold properties based on estimation of future selling price less costs to be incurred in relation to the sale, with reference to the prevailing market data and market survey reports available from independent property valuers.

(b) Impairment of assets

The Group tests regularly whether goodwill and other assets that have indefinite useful lives have suffered any impairment. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is determined using fair value less costs to sell or value-in-use calculations as appropriate. These calculations require the use of estimates.

(c) Income taxes

There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business and judgment is required in determining the provision for income taxes. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the year in which such determination is made.

(d) Recognition of deferred tax assets

The amount of the deferred tax assets included in the consolidated statement of financial position of the Group is recognized only to the extent that it is probable that future taxable profits will be available against which the temporary differences and unused tax losses can be utilized. The recognition of deferred tax assets requires the Group to make judgments or based on the assessment of future financial performance, the amount of future taxable profits and the timing of when these will be realized.

32 最終控股公司

最終控股公司為在香港註冊成立之恒隆集團有限公司。

32 ULTIMATE HOLDING COMPANY

The ultimate holding company is Hang Lung Group Limited, a company incorporated in Hong Kong.

33 會計政策之未來變動

截至二零一三年十二月三十一日止年度，本集團並無提早採用由香港會計師公會頒佈惟尚未生效之修訂、新準則或詮釋。採用以下修訂、準則或詮釋並不會對本集團之會計政策帶來重大變動。

33 FUTURE CHANGES IN ACCOUNTING POLICIES

The Group has not early applied the following amendments, new standards or interpretations which have been issued by the HKICPA but are not yet effective for the year ended December 31, 2013. The adoption of the following amendments or standards will not result in substantial changes to the Group's accounting policies.

於以下日期或以後
開始之會計期間生效
Effective for accounting periods
beginning on or after

HKAS 32 (修訂本) HKAS 32 (Amended)	金融工具：呈列 — 抵銷金融資產及金融負債 Financial instruments: Presentation – Offsetting financial assets and financial liabilities	二零一四年一月一日 January 1, 2014
HKAS 36 (修訂本) HKAS 36 (Amended)	資產減值 — 非金融資產可收回金額之披露 Impairment of assets – Recoverable amounts disclosure for non-financial assets	二零一四年一月一日 January 1, 2014
HKAS 39 (修訂本) HKAS 39 (Amended)	金融工具：披露 — 衍生工具之替換及延續對沖會計 Financial instruments: Disclosures – Novation of derivatives and continuation of hedge accounting	二零一四年一月一日 January 1, 2014
HKFRS 10 (修訂本)， HKFRS 12 (修訂本) 及 HKAS 27 (修訂本) HKFRS 10 (Amended), HKFRS 12 (Amended) and HKAS 27 (Amended)	綜合財務報表， 其他組織權益披露及 獨立財務報表「投資實體」 Consolidated financial statements, Disclosure of interests in other entities and Separate financial statements “Investment entities”	二零一四年一月一日 January 1, 2014
HKFRS 9 HKFRS 9	金融工具 Financial Instruments	不適用* N/A*

* 原訂於二零一五年一月一日之生效日期已被取消，新的法定生效日期有待決定。

* The original effective date of January 1, 2015 is removed and the new mandatory effective date is to be determined.

34 核准財務報表

董事局於二零一四年一月二十三日核准並許可刊發財務報表。

34 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorized for issue by the Board of Directors on January 23, 2014.

財務報表附註

Notes to the Financial Statements

35 主要附屬公司

於二零一三年十二月三十一日

35 PRINCIPAL SUBSIDIARIES

At December 31, 2013

公司 Company	已發行股本 (港幣) Issued Share Capital (HK\$)	集團所持 權益百分比 % Held by The Group	公司所持 權益百分比 % Held by The Company	業務 Activity	註冊成立 及營業地點 Place of Incorporation and Operations
Antonis Limited*	10,000	100	100	物業租賃 Property leasing	香港 Hong Kong
AP City Limited	2	100	—	物業租賃 Property leasing	香港 Hong Kong
AP Joy Limited	2	100	—	物業發展及租賃 Property development & leasing	香港 Hong Kong
AP Properties Limited				物業發展及租賃 Property development & leasing	香港 Hong Kong
「A」股 'A' shares	34	100	—		
「B」股 'B' shares	6	100	—		
AP Star Limited*	2	100	—	控股投資 Investment holding	香港 Hong Kong
AP Success Limited	2	100	—	物業租賃 Property leasing	香港 Hong Kong
AP Universal Limited*	2	100	—	物業租賃 Property leasing	香港 Hong Kong
AP Win Limited*	1,000,000	100	—	物業租賃 Property leasing	香港 Hong Kong
AP World Limited	2	100	100	物業發展 Property development	香港 Hong Kong
Bonna Estates Company Limited	1,000,000	100	100	物業租賃 Property leasing	香港 Hong Kong
基道企業有限公司* Caddo Enterprises, Limited*	4,000,000	100	—	物業租賃 Property leasing	香港 Hong Kong
Cititop Limited	2	100	—	物業發展及租賃 Property development & leasing	香港 Hong Kong
港邦發展有限公司 Country Bond Development Limited				控股投資 Investment holding	香港 Hong Kong
「A」股 'A' shares	990	79.8	—		
「B」股 'B' share	1	100	—		
Dokay Limited*	2	100	—	物業租賃 Property leasing	香港 Hong Kong

35 主要附屬公司 (續)

於二零一三年十二月三十一日

35 PRINCIPAL SUBSIDIARIES (Continued)

At December 31, 2013

公司 Company	已發行股本 (港幣) Issued Share Capital (HK\$)	集團所持 權益百分比 % Held by The Group	公司所持 權益百分比 % Held by The Company	業務 Activity	註冊成立 及營業地點 Place of Incorporation and Operations
怡冠企業有限公司 Easegood Enterprises Limited	2	100	–	控股投資 Investment holding	香港 Hong Kong
Fu Yik Company Limited*	3	100	–	物業租賃 Property leasing	香港 Hong Kong
璧玉有限公司* Gala Ruby Limited*	2	100	100	控股投資 Investment holding	香港 Hong Kong
Gowily Limited	2	100	–	物業租賃 Property leasing	香港 Hong Kong
Grand Centre Limited	4	100	–	物業租賃 Property leasing	香港 Hong Kong
Grand Hotel Group Limited	10,200	100	–	服務式住宅經營及管理 Apartment operating & management	香港 Hong Kong
格蘭酒店集團有限公司 Grand Hotel Holdings Limited				控股投資 Investment holding	香港 Hong Kong
「A」股 ‘A’ shares	62,163,123	100	–		
「B」股 ‘B’ shares	6,000,000	100	–		
Hang Chui Company Limited	2	100	–	物業租賃 Property leasing	香港 Hong Kong
Hang Far Company Limited*	2	100	–	控股投資 Investment holding	香港 Hong Kong
恒快有限公司 Hang Fine Company Limited	200	100	–	物業租賃 Property leasing	香港 Hong Kong
Hang Kwok Company Limited*	10,000	100	–	物業租賃 Property leasing	香港 Hong Kong
恒隆(行政)有限公司 Hang Lung (Administration) Limited	10,000	100	100	管理服務 Management services	香港 Hong Kong
恒隆(大連)有限公司 Hang Lung (Dalian) Limited	1	100	–	控股投資 Investment holding	香港 Hong Kong
恒隆(江蘇)有限公司 Hang Lung (Jiangsu) Limited	1	100	–	控股投資 Investment holding	香港 Hong Kong

財務報表附註

Notes to the Financial Statements

35 主要附屬公司 (續)

於二零一三年十二月三十一日

35 PRINCIPAL SUBSIDIARIES (Continued)

At December 31, 2013

公司 Company	已發行股本 (港幣) Issued Share Capital (HK\$)	集團所持 權益百分比 % Held by The Group	公司所持 權益百分比 % Held by The Company	業務 Activity	註冊成立 及營業地點 Place of Incorporation and Operations
恒隆(濟南)有限公司 Hang Lung (Jinan) Limited	1	100	–	控股投資 Investment holding	香港 Hong Kong
恒隆(昆明)有限公司 Hang Lung (Kunming) Limited	1	100	–	控股投資 Investment holding	香港 Hong Kong
恒隆(遼寧)有限公司 Hang Lung (Liaoning) Limited	1	100	–	控股投資 Investment holding	香港 Hong Kong
恒隆(瀋陽)有限公司 Hang Lung (Shenyang) Limited	2	100	–	控股投資 Investment holding	香港 Hong Kong
恒隆(天津)有限公司 Hang Lung (Tianjin) Limited	2	100	–	控股投資 Investment holding	香港 Hong Kong
恒隆(武漢)有限公司 Hang Lung (Wuhan) Limited	1	100	–	控股投資 Investment holding	香港 Hong Kong
恒隆(無錫)有限公司 Hang Lung (Wuxi) Limited	1	100	–	控股投資 Investment holding	香港 Hong Kong
Hang Lung Park-In Limited	2	100	–	物業租賃 Property leasing	香港 Hong Kong
恒隆工程策劃有限公司* Hang Lung Project Management Limited*	10,000	100	100	工程項目管理 Project management	香港 Hong Kong
恒隆物業管理有限公司* Hang Lung Property Management Limited*	100,000	100	–	物業管理 Property management	香港 Hong Kong
恒隆地產代理有限公司* Hang Lung Real Estate Agency Limited*	2	100	100	物業代理 Property agencies	香港 Hong Kong
恒隆地產(中國)有限公司 HLP (China) Limited	2	100	100	控股投資 Investment holding	香港 Hong Kong
HLP Finance Limited [^]	1美元 US\$1	100	100	財務 Financial services	英屬維爾京群島 British Virgin Islands
恒隆地產財務管理有限公司 HLP Financial Services Limited	人民幣1元 RMB1	100	–	財務 Financial services	香港 Hong Kong
HLP Fortune Limited	1	100	100	物業發展 Property development	香港 Hong Kong
恒隆地產融資有限公司 HLP Treasury Limited	2	100	100	財務 Financial services	香港 Hong Kong

35 主要附屬公司 (續)

於二零一三年十二月三十一日

35 PRINCIPAL SUBSIDIARIES (Continued)

At December 31, 2013

公司 Company	已發行股本 (港幣) Issued Share Capital (HK\$)	集團所持 權益百分比 % Held by The Group	公司所持 權益百分比 % Held by The Company	業務 Activity	註冊成立 及營業地點 Place of Incorporation and Operations
HLP Treasury Services Limited*	2	100	–	控股投資 Investment holding	香港 Hong Kong
Hoi Sang Limited*	2	100	–	控股投資 Investment holding	香港 Hong Kong
樂古有限公司* Lockoo Limited*	1,000,002	100	–	物業發展 Property development	香港 Hong Kong
Magic Modern International Limited*	1	100	100	廣告 Advertising	香港 Hong Kong
Mansita Limited*	2	100	–	物業租賃 Property leasing	香港 Hong Kong
Modalton Limited	2	100	–	物業租賃 Property leasing	香港 Hong Kong
Monafat Limited*	2	100	–	物業租賃 Property leasing	香港 Hong Kong
Palex Limited*	2	100	–	物業租賃 Property leasing	香港 Hong Kong
Pocaliton Limited	2	100	–	物業租賃 Property leasing	香港 Hong Kong
Rago Star Limited	2	100	–	物業租賃 Property leasing	香港 Hong Kong
Stocket Limited	2	100	100	物業租賃 Property leasing	香港 Hong Kong
Tegraton Limited	2	100	–	物業租賃 Property leasing	香港 Hong Kong
偉聯置業有限公司* Wai Luen Investment Company, Limited*	100,000	100	–	物業租賃 Property leasing	香港 Hong Kong
Yangli Limited*	2	100	–	物業租賃 Property leasing	香港 Hong Kong

財務報表附註

Notes to the Financial Statements

35 主要附屬公司 (續)

於二零一三年十二月三十一日

35 PRINCIPAL SUBSIDIARIES (Continued)

At December 31, 2013

中國內地外商獨資企業 Wholly Foreign Owned Enterprises in mainland China	註冊資本 Registered Capital	集團所持 權益百分比 % Held by The Group	公司所持 權益百分比 % Held by The Company	業務 Activity	註冊成立 及營業地點 Place of Incorporation and Operations
大連恒隆地產有限公司 Dalian Hang Lung Properties Ltd.	人民幣3,556,877,355元 RMB3,556,877,355	100	–	物業發展 Property development	中國內地 Mainland China
昆明恒穎地產有限公司 Kunming Hang Ying Properties Ltd.	人民幣4,537,321,800元 RMB4,537,321,800	100	–	物業發展 Property development	中國內地 Mainland China
遼寧恒隆地產有限公司 Liaoning Hang Lung Properties Ltd.	人民幣5,382,096,324元 RMB5,382,096,324	100	–	物業發展及租賃 Property development & leasing	中國內地 Mainland China
山東恒隆地產有限公司 Shandong Hang Lung Properties Ltd.	385,000,000美元 US\$385,000,000	100	–	物業發展及租賃 Property development & leasing	中國內地 Mainland China
瀋陽恒隆地產有限公司 Shenyang Hang Lung Properties Ltd.	349,990,000美元 US\$349,990,000	100	–	物業發展及租賃 Property development & leasing	中國內地 Mainland China
天津恒隆地產有限公司 Tianjin Hang Lung Properties Ltd.	港幣3,820,000,000元 HK\$3,820,000,000	100	–	物業發展 Property development	中國內地 Mainland China
無錫恒隆地產有限公司 Wuxi Hang Lung Properties Ltd.	人民幣3,837,746,261元 RMB3,837,746,261	100	–	物業發展及租賃 Property development & leasing	中國內地 Mainland China
無錫恒穎地產有限公司 Wuxi Hang Ying Properties Ltd.	港幣509,000,000元 HK\$509,000,000	100	–	物業發展 Property development	中國內地 Mainland China
湖北恒隆房地產開發有限公司 Hubei Hang Lung Property Development Co., Ltd.	人民幣3,680,000,000元 RMB3,680,000,000	100	–	物業發展 Property development	中國內地 Mainland China

中國內地中外合資企業 Equity Joint Venture in mainland China	註冊資本 (美元) Registered Capital (US\$)	集團所持 權益百分比 % Held by The Group	公司所持 權益百分比 % Held by The Company	業務 Activity	註冊成立 及營業地點 Place of Incorporation and Operations
上海恒邦房地產開發有限公司 Shanghai Hang Bond Property Development Co., Ltd.	167,004,736	82	–	物業發展及租賃 Property development & leasing	中國內地 Mainland China
上海港匯房地產開發有限公司 Shanghai Kong Hui Property Development Co., Ltd.	165,000,000	69.3 [#]	–	物業發展及租賃 Property development & leasing	中國內地 Mainland China

* 非經畢馬威會計師事務所審核

^ 在香港經營

指本集團應佔附屬公司直接或間接持有物業之商場部份之權益

* Not audited by KPMG

^ Operated in Hong Kong

Represents the Group's attributable interest in the commercial portion of the properties held either directly or indirectly by the subsidiary

上表列出董事認為對本集團之溢利及資產有重大影響之主要附屬公司。

The above list gives the principal subsidiaries of the Group which in the opinion of the directors, principally affect the profit and assets of the Group.

36 合營企業

於二零一三年十二月三十一日

36 JOINT VENTURES

At December 31, 2013

公司 Company	已發行股本 (港幣) Issued Share Capital (HK\$)	集團所持 權益百分比 % Held by The Group	公司所持 權益百分比 % Held by The Company	業務 Activity	註冊成立 及營業地點 Place of Incorporation and Operations
港興企業有限公司 Country Link Enterprises Limited	5,000,000	36.8	–	控股投資 Investment holding	香港 Hong Kong
怡傑發展有限公司 Ease Smart Development Limited				控股投資 Investment holding	香港 Hong Kong
「A」股 ‘A’ share	1	–	–		
「B」股 ‘B’ share	1	100	–		
星際發展有限公司* Star Play Development Limited*	3	33.3	–	物業租賃 Property leasing	香港 Hong Kong

* 非經畢馬威會計師事務所審核

* Not audited by KPMG

十年財務概覽

Ten-Year Financial Summary

		一至十二月		七至十二月		截至六月三十日止年度					
		Jan – Dec	2012	Jul – Dec	2011	2011	2010	2009	2008	2007	2006
以港幣百萬元計算 (除另有註明)	in HK\$ Million (unless otherwise stated)	2013	2012	2011 (附註1) (Note 1)	2011	2010	2009	2008	2007	2006	2005
總資產	Total assets	182,280	167,864	150,663	144,682	116,300	88,614	84,341	69,244	60,366	53,096
投資物業	Investment properties	107,587	98,223	93,610	85,918	80,965	62,766	59,085	47,153	39,590	36,032
出售物業	Properties for sale										
– 已建成	– Completed	4,033	4,813	5,127	5,058	5,055	6,923	6,774	9,501	10,159	10,693
– 發展中	– Under development	1,622	1,296	987	905	800	760	43	41	–	–
現金及銀行存款	Cash and deposits with banks	34,321	36,025	23,732	27,202	11,535	8,931	10,578	6,994	5,984	3,206
總負債	Total liabilities	51,113	43,886	33,645	29,758	18,513	13,428	15,691	13,407	16,077	11,841
銀行貸款及其他借貸	Bank loans and other borrowings	34,979	29,736	20,734	16,736	6,458	4,661	4,419	4,782	8,454	4,113
浮息票據	Floating rate notes	–	–	–	–	–	1,500	1,500	1,500	1,500	1,500
股東權益	Shareholders' equity	124,534	117,928	111,462	109,719	93,105	71,894	66,377	54,277	43,246	40,288
資產淨值(包括非控股權益)	Net assets (including non-controlling interests)	131,167	123,978	117,018	114,924	97,787	75,186	68,650	55,837	44,289	41,255
營業額	Turnover	9,138	7,372	3,069	5,164	12,057	4,173	10,080	4,389	3,657	6,955
股東應佔純利	Net profit attributable to shareholders	7,212	8,395	2,516	5,792	23,561	3,985	13,159	6,371	4,403	6,813
基本純利(附註2)	Underlying net profit (Note 2)	5,050	6,178	1,650	2,741	6,674	2,388	5,123	2,048	1,627	2,516
股息	Dividends	3,359	3,313	1,610	3,175	2,951	2,736	2,736	2,320	1,900	1,843
每股資料	Per share data										
盈利	Earnings										
– 基本	– Basic	\$1.61	\$1.88	\$0.56	\$1.33	\$5.68	\$0.96	\$3.18	\$1.60	\$1.19	\$1.94
– 攤薄	– Diluted	\$1.61	\$1.87	\$0.56	\$1.31	\$5.61	\$0.96	\$3.15	\$1.58	\$1.18	\$1.92
基本盈利(附註2)	Underlying earnings (Note 2)										
– 基本	– Basic	\$1.13	\$1.38	\$0.37	\$0.63	\$1.61	\$0.58	\$1.24	\$0.51	\$0.44	\$0.72
– 攤薄	– Diluted	\$1.13	\$1.37	\$0.37	\$0.62	\$1.59	\$0.57	\$1.23	\$0.51	\$0.44	\$0.71
股息	Dividends										
– 中期	– Interim	17¢	17¢	–	17¢	17¢	15¢	15¢	13¢	13¢	13¢
– 末期	– Final	58¢	57¢	36¢	54¢	54¢	51¢	51¢	43¢	38¢	37¢
– 全年/期	– Total for the year/period	75¢	74¢	36¢	71¢	71¢	66¢	66¢	56¢	51¢	50¢
股東權益(附註3)	Shareholders' equity (Note 3)	\$27.8	\$26.3	\$24.9	\$24.5	\$22.4	\$17.3	\$16.0	\$13.1	\$11.6	\$10.9
資產淨值(包括非控股權益)(附註3)	Net assets (including non-controlling interests) (Note 3)	\$29.3	\$27.7	\$26.2	\$25.7	\$23.5	\$18.1	\$16.6	\$13.5	\$11.9	\$11.2
淨債項股權比率(附註4)	Net debt to equity ratio (Note 4)	0.5%	0%	0%	0%	0%	0%	0%	0%	10.4%	7.5%
派息比率	Pay-out ratio	47%	39%	64%	53%	13%	69%	21%	35%	43%	26%
基本派息比率(附註2)	Underlying pay-out ratio (Note 2)	66%	54%	97%	113%	44%	114%	53%	109%	116%	70%
已發行股數(百萬股)	Number of shares issued (in Million)	4,479	4,477	4,473	4,472	4,159	4,146	4,145	4,143	3,732	3,683

附註：

- 於二零一一年十一月，董事會批准本集團之財政年度年結日由六月三十日更改為十二月三十一日。因此，本集團之財政期間為二零一一年七月一日至十二月三十一日止六個月。
- 為加強對本集團營運業績的理解，上述之基本純利、每股盈利及派息比率均已撇除投資物業及發展中投資物業之公平值變動及其有關遞延稅項及非控股權益的影響。
- 根據於結算日之結餘除已發行股數。
- 淨債項指銀行貸款及其他借貸、浮息票據及融資租賃承擔，扣除現金及銀行存款。股權則包括股東權益及非控股權益。

Notes:

- In November 2011, the Board of Directors approved the change of the Group's financial year end date from June 30 to December 31. Thus, the Group had a six-month financial period from July 1 to December 31, 2011.
- To facilitate better understanding of the Group's operational results, the underlying net profit, earnings per share and pay-out ratio are presented by excluding the effect of changes in fair value of investment properties and investment properties under development and their related deferred tax and non-controlling interests.
- Based on year end balance divided by number of shares issued at the end of the reporting period.
- Net debt represents bank loans and other borrowings, floating rate notes and finance lease obligations, less cash and deposits with banks. Equity comprises shareholders' equity and non-controlling interests.

公司資料

Corporate Information

董事

陳啟宗 (董事長)
殷尚賢 (副董事長)*
陳南祿 (董事總經理)
袁偉良#
夏佳理 大紫荊勳賢、CVO、金紫荊星章、OBE、太平紳士*
鄭漢鈞 金紫荊星章、OBE、太平紳士*
陳樂怡*
廖柏偉 銀紫荊星章、太平紳士*
何潮輝*
何孝昌

非執行董事

* 獨立非執行董事

DIRECTORS

Ronnie C. Chan (Chairman)
S.S. Yin (Vice Chairman)*
Philip N.L. Chen (Managing Director)
Nelson W.L. Yuen#
Ronald J. Arculli GBM, CVO, GBS, OBE, JP*
H.K. Cheng GBS, OBE, JP*
Laura L.Y. Chen*
P.W. Liu SBS, JP*
Dominic C.F. Ho*
H.C. Ho

Non-Executive Director

* Independent Non-Executive Director

審核委員會

鄭漢鈞 金紫荊星章、OBE、太平紳士 (主席)
陳樂怡
廖柏偉 銀紫荊星章、太平紳士
何潮輝

AUDIT COMMITTEE

H.K. Cheng GBS, OBE, JP (Chairman)
Laura L.Y. Chen
P.W. Liu SBS, JP
Dominic C.F. Ho

提名及薪酬委員會

廖柏偉 銀紫荊星章、太平紳士 (主席)
夏佳理 大紫荊勳賢、CVO、金紫荊星章、OBE、太平紳士
鄭漢鈞 金紫荊星章、OBE、太平紳士
陳樂怡
何潮輝

NOMINATION AND REMUNERATION COMMITTEE

P.W. Liu SBS, JP (Chairman)
Ronald J. Arculli GBM, CVO, GBS, OBE, JP
H.K. Cheng GBS, OBE, JP
Laura L.Y. Chen
Dominic C.F. Ho

授權代表

陳南祿
蔡碧林

AUTHORIZED REPRESENTATIVES

Philip N.L. Chen
Bella P.L. Chhoa

公司秘書

蔡碧林

COMPANY SECRETARY

Bella P.L. Chhoa

註冊辦事處

香港中環德輔道中四號
渣打銀行大廈二十八樓
電話：2879 0111
傳真：2868 6086

REGISTERED OFFICE

28th Floor, Standard Chartered Bank Building
4 Des Voeux Road Central, Hong Kong
Tel : 2879 0111
Fax : 2868 6086

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電郵地址：HLProperties@hanglung.com

INTERNET ADDRESS

Website: http://www.hanglung.com
Email address: HLProperties@hanglung.com

核數師

畢馬威會計師事務所
執業會計師

AUDITOR

KPMG
Certified Public Accountants

上市資料

Listing Information

於二零一三年十二月三十一日 At December 31, 2013

4,478,895,670股每股面值港幣1.00元 在香港聯合交易所有限公司上市之股份	4,478,895,670 shares of HK\$1.00 each listed on The Stock Exchange of Hong Kong Limited
股份代號	STOCK CODE
香港聯合交易所	Hong Kong Stock Exchange 00101
路透社	Reuters 0101.HK
彭博	Bloomberg 101HK
每手買賣單位 (股份)	BOARD LOT SIZE (SHARE) 1,000
美國預託證券	AMERICAN DEPOSITARY RECEIPT
第一級保薦 (櫃台交易)	Sponsored Level-1 (Over the Counter)
證券識別統一號碼 / 票據代號	CUSIP Number/Ticker Symbol 41043M104/HLPPY
預託證券對股份之比率	ADR: Underlying Share Ratio 1:5
存託銀行: 紐約梅隆銀行	Depository Bank: The Bank of New York Mellon
網址:	Website: http://www.adrbnymellon.com
股票過戶及登記處	SHARE REGISTRARS
香港中央證券登記有限公司	Computershare Hong Kong Investor Services Limited
香港灣仔皇后大道東一百八十三號	17M Floor, Hopewell Centre
合和中心十七M樓	183 Queen's Road East, Wan Chai, Hong Kong
電話:	Tel: 2862 8555
傳真:	Fax: 2865 0990
投資者關係聯絡	INVESTOR RELATIONS CONTACT
關則輝	C.F. Kwan
電郵地址:	Email address: ir@hanglung.com

股份資料

Share Information

	股價 Price			總成交額 Total Trading Volume 股份數目 (千股) Number of Shares ('000)	股價 Price			總成交額 Total Trading Volume 股份數目 (千股) Number of Shares ('000)
	最高 High 港幣 HK\$	最低 Low 港幣 HK\$			最高 High 港幣 HK\$	最低 Low 港幣 HK\$		
2013								
第一季 First quarter	31.65	28.15	407,183	第一季 First quarter	30.50	22.15	368,520	
第二季 Second quarter	31.00	24.00	457,945	第二季 Second quarter	29.95	23.80	384,371	
第三季 Third quarter	28.35	23.90	359,458	第三季 Third quarter	28.40	25.05	341,777	
第四季 Fourth quarter	27.00	23.70	247,180	第四季 Fourth quarter	31.20	25.55	407,667	
於二零一三年十二月三十一日之股價: Share Price as at December 31, 2013:			港幣24.50元 HK\$24.50	於二零一二年十二月三十一日之股價: Share Price as at December 31, 2012:			港幣30.80元 HK\$30.80	
於二零一三年十二月三十一日之市值: Market Capitalization as at December 31, 2013:			港幣1,097.3億元 HK\$109.73 billion	於二零一二年十二月三十一日之市值: Market Capitalization as at December 31, 2012:			港幣1,378.8億元 HK\$137.88 billion	



股份代號
STOCK CODE

00101



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