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新鴻基地產發展有限公司
Sun Hung Kai Properties Limited

(Incorporated in Hong Kong with limited liability)
(Stock Code: 16)

2011 / 12 Interim Results

CHAIRMAN'S STATEMENT

We are honoured to have been appointed joint Chairmen of the Company in December 2011 and are pleased to present our report to the shareholders.

RESULTS

The Group's underlying profit attributable to the Company's shareholders for the six months ended 31 December 2011, excluding the effect of fair value changes on investment properties, increased 13 per cent year-on-year to HK$11,773 million. Underlying earnings per share also increased 13 per cent to HK$4.58.

Reported profit and reported earnings per share attributable to the Company's shareholders was HK$21,131 million and HK$8.22 respectively, compared to HK$21,019 million and HK$8.18 for the corresponding period last year. The reported profit for the period included an increase in fair value of investment properties net of deferred taxation and non-controlling interests of HK$9,463 million compared to HK$ 10,617 million for the same period last year.

DIVIDEND

The directors have recommended the payment of an interim dividend of HK$0.95 per share for the six months ended 31 December 2011, the same as for the corresponding period last year.

BUSINESS REVIEW

Property Sales and Rental Income

Property Sales

Revenue from property sales for the period under review as recorded in the accounts, including revenue from joint-venture projects, was HK$21,430 million. Profit from property sales was HK$7,886 million, as compared to HK$8,911 million for the same period last year which included a one-off contribution from sales of a luxury residential development in Singapore. The Group's performance in the pre-sale market remained impressive during the period, with contracted sales of HK$24,897 million in attributable terms, a 13 per cent increase from the same period last year.

Rental Income

Robust rental income growth for the period under review was derived from higher rents for new leases and renewals as compared to the previous leases, as well as increased contributions from new developments such as International Commerce Centre (ICC) in Hong Kong, Shanghai IFC and the first phase of Shanghai ICC on the mainland. Gross rental income, including contributions from joint-venture projects, rose 14 per cent to HK$6,946 million and net rental income increased 14 per cent to HK$5,275 million.

Property Business – Hong Kong

Land Bank

Capitalizing on increased opportunities in the land market, the Group added 4.9 million square feet of developable floor area to its Hong Kong land bank during the period under review. Details are listed in the following table. The acquisitions included a project atop the MTR Nam Cheong Station, a key interchange for the Tung Chung and West Rail lines. Located just two to three rail stations away from the core business centres in Kowloon and Central, this large-scale project will include a major shopping mall and residential apartments with most units taking in panoramic sea views. Other major acquisitions included a waterfront residential site in Tung Chung and a prime site in Tseung Kwan O town centre to synergize with the Group's other projects in the area.

Location	Usage	Group's Interest (%)	Attributable Gross Floor Area (square feet)
MTR Nam Cheong Station Development	Residential / Shopping centre	Joint venture	2,609,000
Area 55A, Tung Chung	Residential / Shopping centre	100	1,394,000
Area 66A, Tseung Kwan O	Residential / Shopping centre	100	793,000
56-84 Belcher's Street, Island West	Residential / Shopping centre	92	144,000
Total			**4,940,000**

The Group's total land bank in Hong Kong increased to 46.7 million square feet in December 2011, comprising 27.9 million square feet of completed investment properties and 18.8 million square feet of properties under development. The Group also holds over 26 million square feet of agricultural land in terms of site area. Most of this is along existing or planned rail lines in the New Territories and is in the process of land use conversion. The Group will continue to acquire new development sites through various means when appropriate opportunities arise.

Property Development

The Hong Kong residential market was undergoing a consolidation amid financial market volatility and policy headwinds in the past six months or so. However, the market has shown signs of rebound with prices stabilizing in recent weeks. Activity in the primary market remained healthy, whereas transactions in the secondary market picked up to reasonable levels, though having been affected meaningfully during the consolidation period. While relatively low mortgage interest rate and sustained income growth continued to underpin demand from genuine end users, supply in the pre-sale market remained limited.

The Group recorded impressive contracted sales of over HK$22,000 million in Hong Kong during the period under review despite a challenging environment. Major projects launched included the luxury Imperial Cullinan on the West Kowloon waterfront, i · UniQ Grand boutique apartments in Hong Kong East and premium units at The Wings in Tseung Kwan O. These developments will be ideal homes featuring prime materials, well-planned layouts, tailored clubhouse facilities and attentive service. These projects offer diverse flat mixes and differentiated styles and exhibit the Group's steadfast attitude towards quality.

The Group strives to add value to its projects through various means. The Wings, being a major part of an outstanding integrated development at the centre of a new town supported by convenient rail access, sets new standards for luxury living in the district in terms of materials, finishes, specifications and clubhouse. Its remarkable sales results reflected the Group's superior brand reputation and strength.

Four projects were completed in Hong Kong during the period with 2.6 million square feet of attributable gross floor area, of which 2.4 million square feet was residential. These are listed in the following table. Another million square feet, including 400,000 square feet of residential premises, is scheduled for completion in the second half of the financial year.

Project	**Location**	**Usage**	**Group's Interest** (%)	**Attributable Gross Floor Area** (square feet)
The Wings	9 Tong Yin Street Tseung Kwan O	Residential / Offices	Joint venture	915,000
Imperial Cullinan	10 Hoi Fai Road West Kowloon	Residential / Shopping centre	100	889,000
Avignon	1 Kwun Chui Road So Kwun Wat, Tuen Mun	Residential / Shops	100	621,000
Lime Stardom	1 Larch Street Tai Kok Tsui	Residential / Shopping centre	Joint venture	201,000
Total				**2,626,000**

Property Investment

The Group is one of the major landlords in Hong Kong with a large portfolio of quality premises that generates significant recurrent income. With Hong Kong being situated in a strategic location in the relatively fast growing emerging Asia region, the Group's rental property portfolio continued to benefit from this development. Overall demand for the Group's investment properties in Hong Kong remained healthy and occupancy stayed high at 95 per cent.

Office portfolio

The Group's office portfolio continued to perform well and vacancies were low despite the uncertainty arising from the European sovereign debt crisis. High quality, advanced specifications and outstanding management service make the Group's office buildings attractive to quality tenants. Rental income from the portfolio grew during the period under review.

The Group's International Finance Centre (IFC) and ICC projects are among the most prestigious commercial developments in Hong Kong. IFC office space in the Central core continued to lease well with nearly full occupancy and positive rental reversions. It is the preferred choice for international financial firms and has also attracted reputable mainland banking and financial companies. ICC on the opposite side of Victoria Harbour has achieved very high occupancy and tenants are impressed by its modern design, comprehensive facilities and service. The development has won several prestigious international awards and its Sky 100 is the highest indoor observation deck in Hong Kong and a new attraction in the city.

Kowloon East is Hong Kong's new focal point for a second core business district as planned by the government. The Group developed the large-scale project Millennium City years ago with such a vision, which has facilitated the emergence of Kwun Tong as a new cluster of prestige projects in Kowloon East. Millennium City comprises a number of grade-A, intelligent office developments and is set to benefit from the increasing importance of the district as a new commercial core.

The Group continues to set the benchmark for premium offices in decentralized districts. The quality of the first office tower at Kowloon Commerce Centre has been praised highly by tenants and the building is almost fully let. A footbridge connecting the building to a nearby MTR station opened last year, further enhancing accessibility and spurring a rejuvenation of the area. A second tower with another 500,000 square feet of office space is now under construction and scheduled for completion in late 2012.

The Group maintains an optimal mix in its quality rental portfolio and regularly reviews its composition and disposes of some non-core investment properties at appropriate times to enhance returns and asset turnover. The Group disposed of certain decentralized office space during the period under review.

Retail portfolio

The Group's retail properties in Hong Kong continued to produce robust results amid ongoing growth in local consumption and higher mainland visitor spending. Occupancy at the Group's major shopping centres such as IFC Mall, New Town Plaza, APM and WTC More remained high, and their successes have further reinforced the Group's leading position in retail leasing.

Mikiki had a grand opening last October and is the first major new mall near the Kai Tak development zone and the upcoming cruise terminal in the evolving Kowloon East. The mall has nearly 210,000 square feet of total floor area and is fully leased. It offers a brand new shopping experience with close to 100 innovative shops catering to trendy, high-spending young shoppers.

V City mall is the Group's new shopping centre under development at the MTR Tuen Mun Station and is scheduled to open in 2013. It will have 270,000 square feet of gross floor area and a modern lifestyle concept that appeals to young executives and professionals. Response to preliminary marketing has been encouraging. Many of the enquiries have come from merchants that are new to Tuen Mun, so the mall will provide shoppers with a variety of new choices.

YOHO Mall, comprising a new shopping centre of over 470,000 square feet and two existing malls adjacent to the MTR Yuen Long Station, will be another mega project for the Group in the coming years. This million-square-foot shopping hub in the West New Territories will introduce innovative and overseas shopping concepts with an international flair, tapping the strong spending power of the younger generation and the growing pool of mainland shoppers. The mall will make a wide range of fashionable and international brands available along with the most diverse choice of dining in the district.

The Group has been upgrading retail malls to satisfy shoppers' ever changing habits and preferences. Tai Po Mega Mall was recently refurbished with a new retail concept and enhanced tenant mix. It has since become one of the most popular shopping spots in the northeast New Territories. APM at the core of Kowloon East is being renovated in phases to introduce new elements and a more spacious environment for shoppers. More focused promotional initiatives are being staged to enhance the malls' attractiveness among local consumers as well as mainland visitors.

Property Business – Mainland

Land Bank

The Group's mainland land bank amounted to an attributable 85.3 million square feet in December 2011. Over 75 per cent of the 77.8 million square feet of properties under development will be high-end residences or serviced apartments, with the rest premium offices, shopping malls and hotels. The Group held another 7.5 million square feet of completed investment properties, mainly high-quality offices and shopping centres in prime locations of major cities.

Property Development

The mainland residential markets continued to see consolidation over the past few months with prices softening and transactions slowing as a result of tightening measures including home purchase restrictions. Nevertheless, the recent adjustment in the market should improve affordability and contribute to healthy development in the housing market over the longer term.

The Group achieved contracted sales of over HK$2,000 million in attributable terms on the mainland during the period under review, derived mainly from joint-venture projects including The Riviera and Lake Dragon in Guangzhou, Taihu International Community in Wuxi and Jovo Town in Chengdu. The Lake Geneve lakefront townhouse project in Suzhou recently went on sale and has set a new standard for luxury townhouses in the city. Customers have been highly impressed with the spectacular views, sophisticated designs and premium materials.

The Group completed an attributable 770,000 square feet of residential properties at Taihu International Community in Wuxi during the period under review. Over 700,000 square feet of residential properties for sale are planned for completion in the second half of the financial year, which is the Group's attributable share in Jovo Town Phase 1B in Chengdu.

The Group's residential projects under development on the mainland are progressing as planned. The first phase of Shanghai Arch with total gross floor area of over 500,000 square feet in Lujiazui in Shanghai will go on the market soon. There are 200 world-class luxury residences with glamorous views over the Bund complemented with top design, materials and clubhouse facilities. Construction of Forest Hill in Guangzhou has commenced. This is a high-end residential joint-venture project at Linhe Cun in Tianhe District next to a metro interchange and the Hong Kong-Guangzhou through-train terminus. Other mainland joint-venture projects that are proceeding as scheduled include Sirius, a luxury residential project in Chengdu and The Riviera in Guangzhou.

Property Investment

With continuing economic growth on the mainland, demand for the Group's investment properties remained robust. Rental income from mainland investment properties showed strong growth during the period under review. The well-structured tenant mix has attracted many leading companies from various industries to the Group's world-class office buildings in major mainland cities. The Group's quality shopping malls will continue to benefit from the booming mainland retail market.

Shanghai IFC is one of the Group's iconic projects on the mainland at the center of the Pudong finance and trade zone. The first office tower is fully occupied with some international financial institutions gearing up for expansion into the new tower two which also has been well received by tenants.

Shanghai IFC Mall has an upmarket positioning and is the latest showpiece development in the city. It offers a wide range of leading and luxury brands as well as the finest restaurants, some of which are new to the mainland. The first phase of the mall is fully occupied. Tenants have seen strong revenue growth since the opening in April 2010 and the mall has attracted premium, high-spending shoppers. It is widely praised by consumers and has won numerous awards since its opening. The deluxe IFC Residence serviced suite hotel is scheduled to open in the third quarter this year, representing the full completion of the entire Shanghai IFC integrated complex.

Another large integrated project in the Group's rental portfolio is Shanghai ICC at the heart of Puxi. The completed Tower One office, comprising over 660,000 square feet, is over 90 per cent leased. The building houses a variety of reputable international firms and multinational companies from various industries.

The 1.3 million-square-foot International APM shopping mall at Shanghai ICC will bring the concept of late-night shopping to Shanghai, creating a new lifestyle and one-stop shopping delight to consumers. The mall will feature top luxury street-level shops, renowned restaurants and fashionable products. International APM is easily accessible with connections to two existing and one planned metro stations and ample parking. Leasing progress is encouraging with 80 per cent having been pre-leased. The mall will be a new landmark in Puxi, the traditional shopping district in Shanghai, when it opens by the end of this year.

Beijing APM is a prime development at the heart of Wangfujing with a million-plus square feet of retail space. It is undergoing a major renovation for a reconfigured trade mix and layout, with the introduction of some new major international anchor tenants. It will offer consumers a new shopping experience and more visitor traffic is expected when the renovation is completed by the middle of 2012.

The Group continues developing premium investment properties in prime cities on the mainland. Construction of a nearly 900,000-square-foot shopping mall project near the Tianhe metro station in Guangzhou has commenced and is expected to be completed in 2014. The Group has 50 per cent interest in the project. Planning for another integrated project in Minhang, Shanghai is being finalized. The Group has 35 per cent interest in this project and it will include a 1.8-million-square-foot regional mall that is set to be a new focal point for shopping and entertainment in Shanghai. These projects together with the existing upmarket malls in the major cities will further strengthen the Group's retail network and market position on the mainland, taking advantage of the market's long-term growth in consumption.

Other Businesses

Hotel

Hong Kong's hotel sector performed well. Visitor arrivals from the mainland remained buoyant, contributing to higher occupancies and room rates.

The Group's hotel portfolio continued to do well and its hotels in Hong Kong recorded higher average occupancy at over 90 per cent with decent increases in average room rates. Four Seasons Hotel Hong Kong remained a leader in the top-end market and W Hong Kong's positioning as stylish accommodation was well received by customers. The four Royal brand hotels achieved higher average occupancy at over 95 per cent. Business at The Ritz-Carlton Hong Kong has also been picking up since opening in May last year.

The Ritz-Carlton Shanghai Pudong, enjoying a prime location overlooking the Bund, has lured increasing numbers of customers with its outstanding design and premium service. Revenue continued to grow over the past few months and occupancy increased markedly.

The Group will continue expanding its hotel portfolio. The Crowne Plaza and Holiday Inn Express atop the MTR Tseung Kwan O Station in Hong Kong are scheduled to open by the end of this year. These two new hotels will fill the void of premium hotels that now exists in Kowloon East. The Group is also developing premium hotels in selected major mainland cities including Guangzhou, Hangzhou and Suzhou, as parts of integrated projects. All these new hotels will help the Group capture the opportunities from thriving tourism in the region.

Telecommunications and Information Technology

SmarTone

SmarTone registered continuing growth in both customer numbers and average revenue per user, capitalizing on the increasing adoption of smart devices by consumers. Both service revenue and profitability showed healthy growth. SmarTone will continue to focus on delivering more valuable experiences to customers and further extending its leadership in network performance, proprietary services and customer care. The Group remains confident in SmarTone's prospects and will continue to hold the company as a long-term investment.

SUNeVision

SUNeVision maintained stable growth in revenue and operating profit for the period under review. iAdvantage achieved good occupancy and strengthened its prominent position in the carrier-neutral data centre market in Hong Kong. SUNeVision will continue to build on its good track records and solid financial position to further grow its core businesses.

Infrastructure and other businesses

The Group's infrastructure and transport businesses in Hong Kong provide a steady stream of recurrent income through a number of subsidiaries and joint ventures. The Wilson Group performed well during the period. Traffic on the Route 3 (Country Park Section) continued to be healthy. Both the Airport Freight Forwarding Centre and the River Trade Terminal sustained steady business performance despite the uncertain macro-economic environment prevailing for global trade.

Corporate Finance

The Group's healthy financial position is reflected by its low gearing and high multiple of interest coverage. Its net debt to shareholders' funds stood at 16.5 per cent as of 31 December 2011.

Against the backdrop of changing liquidity conditions during the period under review, the Group has proactively managed funding arrangements, including RMB financing on the mainland. The Group was able to renew all its bilateral bank loans and maintain a sufficient pool of committed banking facilities on standby basis to meet its business needs.

The Group also demonstrated its strong capability of tapping funding in bond market, as evidenced by the new issuances of US$500 million five-year US$ bonds and HK$1,114 million in five to fifteen-year bonds under the Euro Medium Term Note programme during the period under review. Earlier this year, there were a US$275 million retap of the aforesaid US$500 million five-year US$ bond issuance and a new US$900 million ten-year US$ bond issuance. The Group has the highest credit ratings among Hong Kong developers – an A1 rating with a stable outlook from Moody's and an A+ with a stable outlook from Standard & Poor's – and where situation warrants, will continue acquiring funding in the debt capital market to lengthen its debt maturity profile and diversify its funding sources.

The majority of the Group's borrowings are denominated in Hong Kong dollars, meaning that it has little foreign-exchange risk, and the Group has not executed any derivative or structured-product transactions for speculative purposes.

Customer Service

Customer satisfaction is the foundation of any successful business, and that is why the Group looks for new ways to add value to its products and service and constantly anticipates what customers want.

The Group's property-management subsidiaries Hong Yip and Kai Shing go the extra mile to offer the finest customer care, and their staff receives special training in service and hospitality. The companies constantly offer new service initiatives in residential and commercial developments to meet customer demand and stay ahead of market trends, as demonstrated by a system that allows patrons to check restaurant reservations at selected shopping malls online.

There are professional handover teams to assist new owners of the Group's residential developments when they take possession of their homes. The teams inspect new units before purchasers collect the keys and help with moving-in procedures. The latest innovation includes using mobile phone applications to enhance efficiency in new project handovers. Buyers of the Group's mainland residential projects also benefit from the same quality of service as purchasers of Hong Kong properties.

The Group's SHKP Club now has over 310,000 members. It is an effective channel for two-way communication and has established long-term relationships with members and potential customers with property-related benefits such as exclusive previews of the Group's new show flats and buyer-incentive programmes.

Corporate Governance

Maintaining high standards of corporate governance is always an integral part of the Group's business philosophy. This is achieved through an effective Board of Directors, timely disclosure of information and a proactive investor relations programme.

The Board directs and oversees the Group's strategies. There are Audit, Remuneration and Nomination Committees chaired by Independent Non-Executive Directors. The Executive Committee consisting of all Executive Directors meets regularly and is primarily responsible for formulating business policies and making decisions on key business issues.

The Group's commitment to good corporate governance and quality management earned it the title of Best Managed Company in the Property Sector in Asia by *Euromoney* magazine. *Asiamoney* magazine named the Group Best Overall for Corporate Governance, Best for Disclosure and Transparency and Best for Responsibilities of Management and the Board of Directors in Hong Kong. The Group also won a Platinum Excellence in Management Award from *The Asset* magazine. The Group will continue its efforts to stay at the forefront of general practices.

Corporate Social Responsibility

The Group has been part of the Hang Seng Hong Kong and mainland Corporate Sustainability indices since 2010 and published its first Sustainability Report in 2011. The Group respects the environment and has clear green policies. Group environmental initiatives are incorporated and expanded under its new G Power campaign that includes eco-friendly management, sponsorships and activities to encourage people to care about the world in which they live. Also, the Group conserves resources by incorporating green features and energy-saving designs and equipment into its buildings which simultaneously enhance the living and working environment of the residents and tenants.

Learning projects sponsored by the Group include the SHKP Book Club’s writing competitions, seminars, free literary magazine and trips to the Hong Kong Book Fair for less-fortunate children and the Sun Hung Kai Properties Nobel lecture series. The Group also has an array of scholarship programmes, including those to assist needy students at mainland universities through its SHKP-Kwoks’ Foundation.

The Group’s Building Homes with Heart Caring Initiative provides immediate financial and practical assistance to people who find themselves in sudden difficulty. The SHKP Volunteer Team continued helping diverse sectors within the community and has been highly appreciated for its efforts.

PROSPECTS

The global economy is expected to continue to grow mildly in the year ahead, despite the challenges including lingering sovereign debt crisis in Europe and the need for commercial banks to raise capital to meet regulatory requirements. The improving US economy and various government policy responses, particularly further monetary stimulus by central banks of the US and euro zone, are expected to support the world economy.

Emerging Asia will continue to expand at a relatively fast pace. Economic growth on the mainland, albeit moderating, is expected to stay higher than many other economies. While policies to support domestic demand are expected to sustain the growth of the economy, anticipated slowing inflation would leave room for additional monetary stimulus following moderate relaxation over the past few months. Although housing regulatory measures may by and large stay in place for a while, early signs of credit easing will help stimulate demand from first-time buyers. The Group remains confident in mainland’s long-term prospects and will adhere to its selective strategy for mainland business, focusing on key cities including Beijing, Shanghai, Guangzhou and Shenzhen.

The Hong Kong economy is likely to show modest growth supported by robust visitor spending and healthy domestic consumption, despite a challenging external environment. The Group remains confident in the long-term prospects for Hong Kong’s economy and the demand for various properties, given its roles as a prime offshore RMB centre and a premier international financial hub, as well as its advantageous position to capitalize on the potential growth of inter-regional economic activities in emerging Asia. Although the regulatory housing measures will continue to constrain purchase by home buyers in the short-term, continual income growth, a relatively low interest rate environment and rapidly rising affluence of mainland Chinese will keep supporting the residential market. On the supply side, the anticipated increase in the availability of land supply should provide more business opportunities for the sector.

The Group will continue to expand its property developments for sale, in line with the strategy of achieving a balance of earnings from development profits and rental income. The Group will not only continue acquiring land through various means, particularly in Hong Kong, when good opportunities arise, but will also aim to increase its residential completions for sale over the medium to long term. The Group will make further efforts to offer premium products and service that exceed customer expectations, enhancing its brand and reputation in Hong Kong and on the mainland.

The Group will continue offering new projects for sale both in Hong Kong and on the mainland. Major projects to go on market in Hong Kong include a high-end residence atop the MTR Tuen Mun Station, a low-density development in east Yuen Long, the low-rise AnaCapri apartments on Ma Wan and the premium residences at Area 66B in Tseung Kwan O. Major mainland projects that will go on sale include the luxury residences with glamorous views of the Bund in the first phase of Shanghai Arch at Lujiazui, and premium units from joint-venture projects, namely the first phase of Sirius in Chengdu, the first phase of Forest Hill and the second phase of Riviera both in Guangzhou.

In rental properties, overall income is expected to increase steadily with rising contributions from new investment properties, positive rental reversions and sustained high occupancies in Hong Kong and on the mainland. Over the medium to long term, the rental property portfolio will be further strengthened upon completion of various integrated projects, comprising quality offices, shopping malls and hotels.

The existing premium hotels and new hotels being built in integrated developments will create synergies and strengthen their market positions in Hong Kong and on the mainland. The Group will benefit from booming tourism in the region and see revenue growth in the hotel business over time.

The Group has a widespread network of quality malls in Hong Kong. The future completion of V City mall atop the MTR Tuen Mun Station, YOHO Mall next to the MTR Yuen Long Station and the premium mall atop MTR Nam Cheong Station will raise the competitiveness and bolster the leading position of the Group’s malls. On the mainland, Shanghai IFC mall and Beijing APM, coupled with gradual completions of large malls including International APM at Shanghai and a shopping mall development next to the Tianhe metro station in Guangzhou, will form a sizable network to take advantage of the fast growing consumer market there.

The Group is well-positioned to capitalize on property business opportunities in terms of high liquidity, strong cash flows and low level of gearing. Rental income from its quality investment property portfolio as well as proceeds from projects pre-sold and upcoming property sales will continue to generate positive cash flows. With its outstanding credit ratings, the Group has strong capability to tap the debt capital market and arrange credit facilities with various banks, enhancing its financial stability and flexibility.

Taking into consideration all these developments, the results for the current financial year are expected to be satisfactory, barring unforeseen circumstances.

APPRECIATION

We would like to express our special thanks on behalf of the Board to our ex-Chairman Madam Kwong Siu-hing who retired in December last year. Her leadership and the Board together led the Group to excel with a stronger market position over the past three years. In a collaborative effort, we will continue to work to high standards of excellence and corporate governance in the years ahead. This year the Company will mark its 40th anniversary. Building upon the solid foundation established over the past 40 years, we have a firm belief in the Group's promising prospects for sustainable business development and expansion.

We would also like to take this opportunity to express our gratitude to our fellow directors for their guidance and thank all the staff for their dedication and hard work.

Kwok Ping-kwong, Thomas
Chairman & Managing Director

Kwok Ping-luen, Raymond
Chairman & Managing Director

Hong Kong, 28 February 2012