MIRAMAR HOTEL AND INVESTMENT COMPANY, LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 71)

INTERIM RESULTS ANNOUNCEMENT
for the six months ended 30 June 2015

CHAIRMAN AND CEO'S STATEMENT

Dear Shareholders

On behalf of the Board of the Miramar Group, I am pleased to present my report on our operations for the six months ended 30 June 2015.

Revenue and Profit Attributable to Shareholders and Basic Underlying Earnings per Share

For the six months ended 30 June 2015 (the "Reporting Period"), the Group's unaudited revenue grew to HK$1,575 million, representing an increase of 5% compared to the six months ended 30 June 2014 (the "Last Corresponding Period"). Unaudited profit attributable to shareholders, at HK$874 million, increased by 23% compared to the Last Corresponding Period. Excluding the increase in fair value of investment properties, unaudited underlying profit attributable to shareholders rose to HK$453 million (after including a one-off net gain of HK$122 million from the sale of 6 Knutsford Terrace). Basic underlying earnings per share were HK$0.78, an increase of 84% compared to the Last Corresponding Period.

Bonus Warrants Issue

The Group issued Bonus Warrants on the basis of one Warrant for every five Shares held on the record date (i.e. 30 June 2015). Each Warrant entitled the holder to subscribe in cash for one Share at the initial subscription price of HK$13.50 per Share (subject to adjustments). The Warrants are exercisable at any time during a period of thirty months commencing from 20 July 2015 to 19 January 2018. The Warrant commenced trading on the Hong Kong Stock Exchange on 21 July 2015.

Business Overview

In the Reporting Period, despite the uncertainties in the business environment characterized by continuing pressure on both the local and Mainland China's economic growth momentum, slow Eurozone economic recovery, Greek debt problem, strengthening of US Dollar and decreasing number of visitors to Hong Kong. The Group's ability to quickly adapt to changes in market conditions and a portfolio of businesses in different industries have served the Group well in an environment characterized by uncertainties and volatility. The Group rose to these challenges by effectively managing cost, mitigating risk and continuing to enhance its products and services. All business lines recorded growth in revenue and profit except for Hotels and Serviced Apartments.

Property Rental Business

The Property Rental Business recorded healthy returns during the Reporting Period. Despite sluggish growth in mainland visitor arrivals and a weakening retail spending, rental reversions rates remained positive, recording an increase of 8% to HK$420 million in revenue.

The multi-year phased Mall Repositioning Program is progressing well and is expected to significantly reinvigorate the visual landscape of Kimberley Road and Nathan Road into a Ginza-style shopping district, drawing an enriched profile of retailers and shoppers to Miramar Shopping Centre and Mira Mall. Miramar Tower continued to enjoy high occupancy rate with quality and stable tenants. Rental reversion rates were stable. The integration of the malls, Miramar Tower and the mall attached to The Mira Hong Kong into a more wholesome multi-use commercial complex enhanced the total appeal, and property value propositions to both our shoppers and tenants.

Hotels and Serviced Apartments Business

Hong Kong's hotel industry experienced its toughest year in a decade. The Group's two hotels, The Mira Hong Kong and Mira Moon, responded to these market challenges with resilience. They further sharpened sales and pricing strategies and continued to make inroads into MICE, leisure travel sectors and corporate clients. Online hotel marketing and channels were enhanced to attract free individual travellers (FIT) and direct bookings to our own website. New propositions and packages were offered to diners in our hotels; and events and banqueting offerings were carefully designed exclusively with flair to meet both corporate and individual preferences.

Food and Beverage Business

The Group's Food and Beverage business continued to perform well, having turned profitable last year. Revenue grew by a healthy 32%. Two new School Food outlets were opened in high-traffic malls during the Reporting Period, increasing the brand's total presence to six. The revamp of our Chinese flagship Cuisine Cuisine at ifc mall was well received by our customers and recorded growth in revenue. Our Banquet business continued to grow at outlets such as Tsui Hang Village, French Window Brasserie and Bar and Assaggio Trattoria Italiana. Overall, all restaurants under Mira Dining have benefited from continuous improvement in operations, quality of food and services, and price and menu adjustments in response to the changing tastes and trends of our customers.

Travel Business

The macro environment has been favourable to our Travel Business, particularly for outbound traffic. The strong US Dollar and a general increase in the overall consumption power of Hong Kong and Mainland China citizens have translated to increase in outbound travels. During the Reporting Period, the business experienced increased demand from Hong Kong and Mainland China for overseas vacations and luxury cruise holidays. Japan, Australia and Europe are favoured destinations. As a result, the business recorded a growth of 56% over the Last Corresponding Period.

Business Outlook

Whilst the business environment is highly competitive and the global economy is expected to remain uncertain, the Group will seek and seize any market opportunities by adhering to a prudent business development strategy. The Group will also optimize each of our core businesses by deploying prudent and flexible operational strategies. Barring unforseeable circumstances, we expect the overall business will maintain steady growth during the second half of the financial year, except that the Hotels and Serviced Apartments Business will continue to be under adverse circumstance with occupancy and average room rates under pressure.

LEE KA SHING
Chairman and CEO

Hong Kong, 19 August 2015

MIRAMAR HOTEL AND INVESTMENT COMPANY, LIMITED *(Incorporated in Hong Kong with limited liability)* **(Stock Code: 71)**	**INTERIM RESULTS ANNOUNCEMENT for the six months ended 30 June 2015**

The Board of Directors of Miramar Hotel and Investment Company, Limited (the "Company") are pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 June 2015 together with the comparative figures for the corresponding period in 2014.

CONSOLIDATED INCOME STATEMENT – UNAUDITED

		For the six months ended 30 June	
		2015	2014
	Note	***HK$'000***	*HK$'000*
Revenue	*2*	**1,574,661**	1,503,111
Cost of inventories		**(98,488)**	(111,682)
Staff costs		**(281,109)**	(270,131)
Utilities, repairs and maintenance and rent		**(99,916)**	(95,754)
Tour and ticketing costs		**(522,524)**	(524,805)
Gross profit		**572,624**	500,739
Other revenue		**52,674**	46,770
Operating and other expenses		**(128,309)**	(130,806)
Depreciation		**(65,695)**	(80,652)
		431,294	336,051
Finance costs	*3(a)*	**(20,026)**	(17,083)
Share of profits less losses of associates		**78**	107
Share of loss of a joint venture		**(759)**	(1,242)
		410,587	317,833
Net gain on disposal of properties		**122,139**	-
Net gain on trading securities/available-for-sale securities		**12,984**	10,644
Increase in fair value of investment properties	*7*	**421,564**	461,835
Profit before taxation carried forward	*3*	**967,274**	790,312

	Note	For the six months ended 30 June 2015 HK$'000	2014 HK$'000
Profit before taxation brought forward	3	**967,274**	790,312
Taxation	4		
– Current		**(69,988)**	(67,660)
– Deferred		**(3,202)**	(530)
Profit for the period		**894,084**	722,122
Attributable to:			
Shareholders of the Company		**874,189**	707,859
Non-controlling interests		**19,895**	14,263
		894,084	722,122
Interim dividend declared after the interim period end	5(a)	**115,447**	98,129
Earnings per share – basic and diluted	6	**HK$1.51**	HK$1.23
Interim dividend per share	5(a)	**HK$0.20**	HK$0.17

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME – UNAUDITED

	For the six months ended 30 June	
	2015	2014
	HK\$'000	*HK\$'000*
Profit for the period	**894,084**	722,122
Other comprehensive income for the period (after tax and reclassification adjustments):		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of the financial statements of overseas subsidiaries	**497**	659
Available-for-sale securities		
– changes in fair value	**17,796**	(6,519)
– transfer to profit or loss upon disposal	**(11,452)**	(8,609)
	6,841	(14,469)
Total comprehensive income for the period	**900,925**	707,653
Attributable to:		
Shareholders of the Company	**881,030**	693,416
Non-controlling interests	**19,895**	14,237
Total comprehensive income for the period	**900,925**	707,653

There is no tax effect relating to the above component of other comprehensive income.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	**At 30 June 2015** ***HK\$'000*** **(unaudited)**	At 31 December 2014 *HK\$'000* (audited)
Non-current assets			
Investment properties	*7*	**12,399,257**	11,905,710
Property, plant and equipment		**633,512**	702,787
		13,032,769	12,608,497
Interest in associates		**1,724**	1,640
Interest in a joint venture		**5,416**	5,854
Available-for-sale securities		**258,933**	277,355
Deferred tax assets		**3,747**	3,428
		13,302,589	12,896,774
Current assets			
Inventories		**131,543**	132,769
Trade and other receivables	*8*	**262,763**	270,664
Available-for-sale securities		**34,919**	34,337
Trading securities		**13,806**	11,396
Cash and bank balances		**3,244,948**	3,534,476
Tax recoverable		**603**	15,851
		3,688,582	3,999,493
Non-current assets classified as held for sale		**–**	350,929
		3,688,582	4,350,422
Current liabilities			
Trade and other payables	*9*	**(469,789)**	(535,111)
Bank loans and overdrafts		**(732,750)**	(1,544,784)
Sales and rental deposits received		**(243,969)**	(218,138)
Tax payable		**(80,729)**	(39,224)
		(1,527,237)	(2,337,257)
Net current assets		**2,161,345**	2,013,165
Total assets less current liabilities carried forward		**15,463,934**	14,909,939

	Note	**At 30 June 2015** *HK$'000* **(unaudited)**	At 31 December 2014 *HK$'000* (audited)
Total assets less current liabilities brought forward		**15,463,934**	14,909,939
Non-current liabilities			
Bank loans		**(1,044,187)**	(1,161,585)
Deferred liabilities		**(148,986)**	(175,083)
Amounts due to holders of non-controlling interests of a subsidiary	*10*	**(39,845)**	(38,687)
Deferred tax liabilities		**(245,634)**	(242,113)
		(1,478,652)	(1,617,468)
NET ASSETS		**13,985,282**	13,292,471
CAPITAL AND RESERVES			
Share capital	*11*	**691,690**	691,690
Reserves		**13,159,634**	12,463,318
Total equity attributable to shareholders of the Company		**13,851,324**	13,155,008
Non-controlling interests		**133,958**	137,463
TOTAL EQUITY		**13,985,282**	13,292,471

Notes:

1. BASIS OF PREPARATION

The interim financial report has been prepared in accordance with the applicable disclosure provisions of Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). It was authorized for issue on 19 August 2015.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2014 annual financial statements.

The HKICPA has issued a few amendments to Hong Kong Financial Reporting Standards ("HKFRSs") that are first effective for the current accounting period of Miramar Hotel and Investment Company, Limited (the "Company") and its subsidiaries (collectively, the "Group"). None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

The interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2014 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with HKFRSs.

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the HKICPA. KPMG's review report to the Board of Directors is included in interim financial report to be sent to the shareholders. In addition, this interim financial report has been reviewed by the Company's Audit Committee.

The financial information relating to the financial year ended 31 December 2014 that is included in the interim financial report as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Further information relating to these statutory financial statements disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended 31 December 2014 to the Registrar of Companies in accordance with section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance.

The Company's auditor has reported on those financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under section 406(2), 407(2) or (3) of the Companies Ordinance (or under their equivalent requirements found in section 141 of the predecessor Companies Ordinance (Cap. 32)).

2. REVENUE AND SEGMENT REPORTING

The Group manages its businesses by segments which are organised by business lines. In a manner consistent with the way in which information is reported internally to the Group's board and senior executive management for the purposes of resource allocation and performance assessment, the Group has identified the following five reportable segments.

Property rental	:	The leasing of office and retail premises to generate rental income and to gain from the appreciation in properties' values in the long term
Hotels and serviced apartments	:	The operation of hotels and serviced apartments and provision of hotel management services
Food and beverage operation	:	The operation of restaurants
Travel operation	:	The operation of travel agency services
Others	:	Other businesses

The principal activities of the Group are property rental, hotels and serviced apartments, food and beverage operation and travel operation. Revenue represents rental income and income from hotels, food and beverage, travel and other operations.

Revenue and expense are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments. The measure used for reporting segment results is "adjusted EBITDA" i.e. "adjusted earnings before interest, taxes, depreciation and amortisation". To arrive at adjusted EBITDA, the Group's earnings are further adjusted for items not specifically attributed to individual segments, such as share of profits less losses of associates and share of loss of a joint venture, other non-operating items and other corporate expenses.

2. REVENUE AND SEGMENT REPORTING (continued)

Information regarding the Group's reportable segments as provided to the Group's board and senior executive management for the purpose of resource allocation and assessment of segment performance for the period is set out below.

	For the six months ended 30 June 2015					
	Property rental *HK$'000*	Hotels and serviced apartments *HK$'000*	Food and beverage operation *HK$'000*	Travel operation *HK$'000*	Others *HK$'000*	Total *HK$'000*
Revenue from external customers	420,211	326,848	221,507	606,095	–	1,574,661
Inter-segment revenue	–	988	3,158	–	–	4,146
Reportable segment revenue	420,211	327,836	224,665	606,095	–	1,578,807
Elimination of inter-segment revenue						(4,146)
Consolidated revenue						1,574,661
Reportable segment results (adjusted EBITDA)	370,113	104,482	17,955	32,463	(2,596)	522,417
Unallocated corporate expenses						(91,123)
						431,294
Finance costs						(20,026)
Share of profits less losses of associates						78
Share of loss of a joint venture						(759)
Net gain on disposal of properties						122,139
Net gain on trading securities/ available-for-sale securities						12,984
Increase in fair value of investment properties	421,564	–	–	–	–	421,564
Consolidated profit before taxation						967,274

2. REVENUE AND SEGMENT REPORTING (continued)

	For the six months ended 30 June 2014					
	Property rental *HK$'000*	Hotels and serviced apartments *HK$'000*	Food and beverage operation *HK$'000*	Travel operation *HK$'000*	Others *HK$'000*	Total *HK$'000*
Revenue from external customers	388,918	331,886	167,287	595,199	19,821	1,503,111
Inter-segment revenue	–	970	3,328	–	–	4,298
Reportable segment revenue	388,918	332,856	170,615	595,199	19,821	1,507,409
Elimination of inter-segment revenue						(4,298)
Consolidated revenue						1,503,111
Reportable segment results (adjusted EBITDA)	337,805	109,735	(6,181)	20,867	(12,757)	449,469
Unallocated corporate expenses						(113,418)
						336,051
Finance costs						(17,083)
Share of profits less losses of associates						107
Share of loss of a joint venture						(1,242)
Net gain on trading securities/ available-for-sale securities						10,644
Increase in fair value of investment properties	461,835	–	–	–	–	461,835
Consolidated profit before taxation						790,312

3. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

	For the six months ended 30 June	
	2015	2014
	HK$'000	*HK$'000*
(a) Finance costs		
Interest on bank advances and other borrowings repayable within five years	**17,238**	14,106
Other borrowing costs	**2,788**	2,977
	20,026	17,083
(b) Other items		
Dividend and interest income	**(36,286)**	(29,368)
Reversal of provision for properties held for resale	**(207)**	–
Reversal of impairment loss on trade receivables	**–**	(74)
Net realised and unrealised gain on trading securities	**(1,531)**	(2,035)
Net gain on disposal of available-for-sale securities	**(11,453)**	(8,609)

4. TAXATION

Taxation in the consolidated income statement represents:

	For the six months ended 30 June	
	2015	2014
	HK$'000	*HK$'000*
Current tax – Hong Kong Profits Tax		
Provision for the period	**67,183**	64,661
Over-provision in respect of prior years	**–**	(637)
	67,183	64,024
Current tax – Overseas Taxation		
Provision for the period	**2,811**	3,636
Over-provision in respect of prior years	**(6)**	–
	2,805	3,636
Deferred tax		
Origination and reversal of temporary differences	**3,202**	530
	73,190	68,190

4. TAXATION (continued)

Provision for Hong Kong Profits Tax is calculated at 16.5% (six months ended 30 June 2014: 16.5%) of the estimated assessable profits for the period.

Overseas taxation is calculated at rates of tax applicable in countries in which the Group is assessed for tax.

Share of associates' taxation for the period of HK$4,000 (six months ended 30 June 2014: HK$4,000) is included in the share of profits less losses of associates.

Share of a joint venture's taxation for the period of HK$Nil (six months ended 30 June 2014: HK$Nil) is included in the share of loss of a joint venture.

5. DIVIDENDS

(a) Dividends attributable to the interim period:

	For the six months ended 30 June	
	2015	2014
	HK$'000	*HK$'000*
Interim dividends declared after the interim period of 20 Hong Kong cents per share (six months ended 30 June 2014: 17 Hong Kong cents per share)	**115,447**	98,129

The interim dividend declared after the interim period has not been recognised as a liability at the end of the reporting period.

(b) Dividends attributable to the previous financial year, approved and paid during the interim period:

	For the six months ended 30 June	
	2015	2014
	HK$'000	*HK$'000*
Final dividends in respect of the previous financial year, approved and paid during the interim period, of 32 Hong Kong cents per share (six months ended 30 June 2014: 27 Hong Kong cents per share)	**184,714**	155,852

6. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the Group's profit attributable to shareholders of the Company of HK$874,189,000 (six months ended 30 June 2014: HK$707,859,000) and 577,231,252 shares (six months ended 30 June 2014: 577,231,252 shares) in issue during the interim period.

There were no potential dilutive ordinary shares in existence during the six months ended 30 June 2015 and 2014, and hence diluted earnings per share is the same as the basic earnings per share.

7. INVESTMENT PROPERTIES

Investment properties of the Group were revalued at 30 June 2015 and 31 December 2014. The valuations were carried out by an independent firm of surveyors, DTZ, who have among its staff Members of the Hong Kong Institute of Surveyors with recent experience in the location and category of property being valued. The fair value of investment properties is based on income capitalisation approach which capitalised the net income of the properties under the existing tenancies and upon reversion after expiry of current leases. During the period, the increase in fair value of investment properties was HK$421,564,000 (six months ended 30 June 2014: HK$461,835,000).

8. TRADE AND OTHER RECEIVABLES

Included in trade and other receivables are trade debtors (net of allowance for doubtful debts) with the following ageing analysis, based on the invoice date (or date of revenue recognition, if earlier), as at the end of the reporting period:

	At 30 June 2015 *HK$'000*	At 31 December 2014 *HK$'000*
0 to 1 month	**56,082**	59,263
1 month to 2 months	**8,620**	13,682
Over 2 months	**17,237**	15,459
Trade receivables (net of allowance for doubtful debts)	**81,939**	88,404
Other receivables, deposits and prepayments	**180,824**	182,260
	262,763	270,664

At 30 June 2015 and 31 December 2014, all of the trade and other receivables are expected to be recovered within one year.

The Group has a defined credit policy. The general credit terms allowed range from 7 to 60 days from the date of billing. Debtors with balances that are more than 60 days overdue are generally required to settle all outstanding balances before any further credit is granted.

9. TRADE AND OTHER PAYABLES

Included in trade and other payables are trade payables with the following ageing analysis, based on the invoice date, as at the end of the reporting period:

	At 30 June 2015	At 31 December 2014
	HK$'000	*HK$'000*
Due within 3 months or on demand	**57,212**	96,283
Due after 3 months but within 6 months	**31,491**	17,768
Trade payables	**88,703**	114,051
Other payables	**304,243**	344,210
Amounts due to holders of non-controlling interests of subsidiaries *(note (10))*	**72,488**	72,488
Amount due to an associate *(note)*	**4,355**	4,362
	469,789	535,111

Note: Amount due to an associate are unsecured, interest-free and repayable on demand.

At 30 June 2015 and 31 December 2014, all of the trade and other payables are expected to be settled within one year or are repayable on demand.

10 AMOUNTS DUE TO HOLDERS OF NON-CONTROLLING INTERESTS OF A SUBSIDIARY

Except the amounts due to holders of non-controlling interests of a subsidiary amounting to HK$38,687,000 (at 31 December 2014: HK$38,687,000), which is interest bearing at 6% (at 31 December 2014: 6%) per annum and not expected to be settled within one year, all of the amounts due to holders of non-controlling interests of subsidiaries are unsecured, interest-free and have no fixed terms of repayment.

11. SHARE CAPITAL

	At 30 June 2015		At 31 December 2014	
	No. of shares	***Amount HK$'000***	*No. of shares*	*Amount HK$'000*
Ordinary shares, issued and fully paid:				
At 1 January	**577,231,252**	**691,690**	577,231,252	404,062
Transition to no-par value regime on 3 March 2014 *(note)*	**–**	**–**	–	287,628
At 30 June/31 December	**577,231,252**	**691,690**	577,231,252	691,690

Note: The transition to the no-par value regime under the Hong Kong Companies Ordinance (Cap. 622) occurred automatically on 3 March 2014. On that date, the share premium account was subsumed into share capital in accordance with section 37 of Schedule 11 to the Ordinance. These changes did not impact on the number of shares in issue or the relative entitlement of any of the members. Since that date, all changes in share capital have been in accordance with the requirements of Parts 4 and 5 of the Ordinance.

On 10 June 2015, the Company announced a proposed bonus warrants issue on the basis of one warrant for every five shares held on the record date (i.e. 30 June 2015). The warrants would be issued in registered form. Each warrant would entitle the holder thereof to subscribe in cash for one share at the initial subscription price of HK$13.50 per share (subject to adjustments). The warrants would be exercisable at any time during a period of thirty months commencing from the date of issue of the warrants (i.e. 20 July 2015).

On 20 July 2015, a circular containing further details of the bonus warrants issue, also being the prospectus document relating to the bonus warrants issue, was despatched to the shareholders. Dealings in the warrants commenced on 21 July 2015. The warrants would be traded in board lots of 1,000 units and each board lot of the warrant would entitle the holders thereof to subscribe an aggregate of up to 1,000 shares.

Details of the bonus warrants are disclosed in the Company's announcements dated 10 June 2015 and 16 July 2015 and the Company's circular dated 20 July 2015.

INTERIM DIVIDEND

The Directors declare the payment of an interim dividend of 20 Hong Kong cents per share in respect of the six months ended 30 June 2015 to shareholders listed on the Register of Members at the close of business on 7 October 2015. Dividend warrants for the interim dividend will be despatched by mail to shareholders on or about 20 October 2015.

CLOSURE OF REGISTER OF MEMBERS AND REGISTER OF WARRANTHOLDERS

The Register of Members and the Register of Warrantholders of the Company will be closed from Wednesday, 30 September 2015 to Wednesday, 7 October 2015, both days inclusive, during which period no transfers of shares or warrants will be registered. In order to qualify for the above interim dividend, (i) in the case of shareholders, all transfer documents, accompanied by the relevant share certificates or (ii) in the case of warrantholders, all subscription forms accompanied by the relevant warrant certificates and subscription moneys, must be lodged for registration with the Company's Registrars, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 29 September 2015.

CORPORATE FINANCE

The Group maintains its conservative financial policy, with high liquidity and low gearing. Gearing, calculated by dividing consolidated total borrowings by consolidated total shareholders' equity, is only 13% as at 30 June 2015 (at 31 December 2014: 21%).

The Group conducts its business primarily in Hong Kong with the related cash flows, assets and liabilities being denominated mainly in Hong Kong dollars. The Group's primary foreign exchange exposure arises from its operation in mainland China as well as certain bank deposits which are denominated in RMB and equity and bond investments which are denominated in USD, EUR, SGD, JPY and GBP.

Majority of the Group's financing facilities obtained are denominated in Hong Kong dollars and interests on bank loans and borrowings are chargeable mainly based on certain interest margin over the Hong Kong Interbank Offer Rate which is therefore of floating rate in nature.

The Group has adequate credit facilities available to fund its development programme for the foreseeable future. At 30 June 2015, total available facilities amounted to approximately HK$3.3 billion (at 31 December 2014: approximately HK$3.8 billion), and 54% of that (at 31 December 2014: 72%) were utilised. At 30 June 2015, consolidated net cash were approximately HK$1.43 billion (at 31 December 2014: HK$0.79 billion), of which HK$0.03 billion was secured borrowings (at 31 December 2014: HK$0.01 billion).

EMPLOYEE

As at 30 June 2015, the Group had a total of about 1,970 full-time employees, including 1,859 employed in Hong Kong and 111 employed in The People's Republic of China. The Group is the "Equal Opportunity Employer"; we value dedication and respect, and work hard to instill a sense of unity, ownership and professionalism in all of our Employees in supporting the achievement of the Group's Mission, Vision and Business Strategies. It is the policy of the Group to remunerate employees in a fair and equitable manner. The Group develops a performance-driven culture and adopts Total Rewards Management for talents attraction, employee recognition and retention. The Group regularly reviews its Remuneration and Benefits Program on the basis of the relevant laws, and keeps in line with market practice, market conditions and market levels of remuneration.

TRAINING AND DEVELOPMENT

The Group regards Employees as our most precious asset. We commit ourselves to providing a continuous learning environment and opportunities to our Employees at all levels to help them grow and excel in performance. The Group strives to continuously develop a comprehensive Learning and Development Roadmap including the provision of in-house and external training programs such as Management/ Supervisory Skills, Business Knowledge, Technical skills, Customer Services Skills, Language Ability, People Management and Personal Effectiveness, etc. for employees at all levels to advance their career achievements within the Group. Subsequent to continued deployment of resources towards employee training and development programs, the Group has been awarded "Manpower Developer" by the Employees Retraining Board every year since 2011, in recognition of the Group's outstanding achievements in fostering an organizational culture conducive to manpower training and development as well as life-long learning.

CORPORATE GOVERNANCE

The Company has complied with the code provisions set out in the Corporate Governance Code contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") during the six months ended 30 June 2015, with the exception of one deviation that roles of the chairman and the chief executive officer of the Company have not been segregated as required by code provision A.2.1 of the Code. Mr. Lee Ka Shing was re-designated as Chairman and Chief Executive Officer as from 12 June 2014. Mr. Lee has been the Chief Executive Officer since 1 August 2006 with in-depth experience and knowledge of the Group and its businesses. The Board is of the view that his appointment into the dual roles as Chairman and Chief Executive Officer is in the best interest of the Group ensuring continuity of leadership and efficiency in formulation and execution of corporate strategies, and that there is adequate balance of power and authority in place.

AUDIT COMMITTEE

The Audit Committee has reviewed the financial results of the Group for the period ended 30 June 2015 and discussed with internal audit executives and independent auditors matters on internal control and financial reports of the Group.

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

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

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the "Model Code for Securities Transactions by Directors of Listed Issuers" (the "Model Code") as set out in Appendix 10 of the Listing Rules as the code for dealing in securities of the Company by the directors. Having made specific enquiries, the Company confirmed that all directors had complied with the required standards set out in the Model Code throughout the accounting period covered by the interim report.

FORWARD-LOOKING STATEMENTS

This announcement contains certain statements that are forward-looking or which use certain forward-looking terminologies. These forward-looking statements are based on the current beliefs, assumptions and expectations of the Board of Directors of the Company regarding the industry and markets in which it operates. These forward-looking statements are subject to risks, uncertainties and other factors beyond the Company's control which may cause actual results or performance to differ materially from those expressed or implied in such forward-looking statements.

By Order of the Board
LEE KA SHING
Chairman and CEO

Hong Kong, 19 August 2015

As at the date of this announcement, (i) the executive Directors are Mr. Lee Ka Shing, Mr. Richard Tang Yat Sun, Dr. Colin Lam Ko Yin, Mr. Norman Ho Hau Chong and Mr. Eddie Lau Yum Chuen; (ii) the non-executive Directors are Dr. Lee Shau Kee, Dr. Patrick Fung Yuk Bun, Mr. Dominic Cheng Ka On and Mr. Alexander Au Siu Kee; (iii) the independent non-executive Directors are Dr. David Sin Wai Kin, Mr. Wu King Cheong, Dr. Timpson Chung Shui Ming, Mr. Howard Yeung Ping Leung and Mr. Thomas Liang Cheung Biu.